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HOUSING ELEMENT



THE COVER

The cover sketch is of the Rudolph House which stood at the parking lot site of the current Williams Brothers Market on the corner of Ocean Avenue and "F" Street. It was built in the early 1890's and once served as a stagecoach stop.

Although it was one of the finest examples of Victorian archetecture in Lompoc, it was demolished in 1960 rather than preserved.

Lets keep sight of the past to bring perspective to our vision of the future.

City of Lompoc

HOUSING ELEMENT

Adopted November 7, 1984

BY

Council Resolution 3394(84)

MAYOR:

COUNCIL MEMBERS:

PLANNING COMMISSION:

CITY ADMINISTRATOR:

ASSISTANT CITY ADMINISTRATOR:

PLANNING DIRECTOR:

PREPARED BY:

CONSULTANT:

Andrew Salazar

George Bedford John Bullock William Mullins Joe Valencia

William Fick, Chairman

Jean Jacoby Jim Keeling Mike Knoell John Peto

Gene L. Wahlers

Peter Cosentini

King Patrick Leonard

Tom Martin, Principal Planner Frank Thompson, Urban Planner

Systems Planning Corporation

Irvine, California

CERTIFIED COM

RESOLUTION OF THE COUNCIL OF THE CITY OF LOMPOC COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

IN THE MATTER OF: ADOPTION OF THE HOUSING ELEMENT OF THE LOMPOC GENERAL PLAN

NO. 3394(34)

I, Maureen Bosking, City Clerk of the City of Lompoc, County of Santa
Barbara, State of California, do hereby certify that the following resolution,
proposed by Councilmember John Bullock , seconded by Councilmember
William Mullins , was duly passed and adopted by the council of the
City of Lompoc at a regular meeting thereof assembled this 7th day of
November , 19 84 , by the following vote, to-wit:

AYES: Councilmember: George Bedford, John Bullock, William Mullins,

Joe Valencia, Mayor Andrew Salazar.

NOES: Councilmember: None.

ABSENT: Councilmember: None.

(SEAL)

Maureen Bosking, City Clerk, Pity of Lompoc

WHEREAS, the State of California requires by law that cities and counties adopt a General Plan Housing Element that complies with the State's standards as set forth in Government Code Section 65580 et seq; and

WHEREAS, after two public hearings the Lompoc Planning Commission approved Resolution 83-44 recommending adoption of the Draft Housing Element and its Corrigenda; and

WHEREAS, at its meeting of November 14, 1983, the Lompoc Planning Commission approved revisions in the Draft Housing Element Corrigenda to respond to the States' comments contained in the letter dated September 19, 1983, from Mary Ann Karrer, Acting Division Chief, Division of Research and Policy Development, Department of Housing and Community Development; and

WHEREAS, public hearings were properly noticed and held at the regular City Council meetings of November 15, 1983, and December 6, 1983; and

WHEREAS, the Draft Housing Element together with its Corrigenda were approved by City Council at its meeting of December 6, 1983, and found sufficient in identifying housing needs, setting appropriate goals and policies and adopting realistic proven programs to respond to the goals.

NOW THEREFORE, THE LOMPOC CITY COUNCIL RESOLVES AS FOLLOWS:

SECTION 1. That the Draft Housing Element complies in every respect with State requirements for Housing Elements as contained in Section 50000-50002 of the Health and Safety Code and Section 65580 et seq. of the Government Code.

SECTION 2. That the accompaning Negative Declaration is hereby certified as a complete and accurate document consistent with all requirements of the California Environmental Quality Act.

SECTION 3. That the attached document is hereby adopted as the Housing Element of the Lompoc General Plan and supersedes the previously approved document of the same title.

SECTION 4. That this Resolution shall take effect upon adoption.

PASSED AND ADOPTED THIS 7th day of November, 1984

ATTEST:

Andrew Salazar, Mayor City of Lompoc

Maureen Bosking, Clerk



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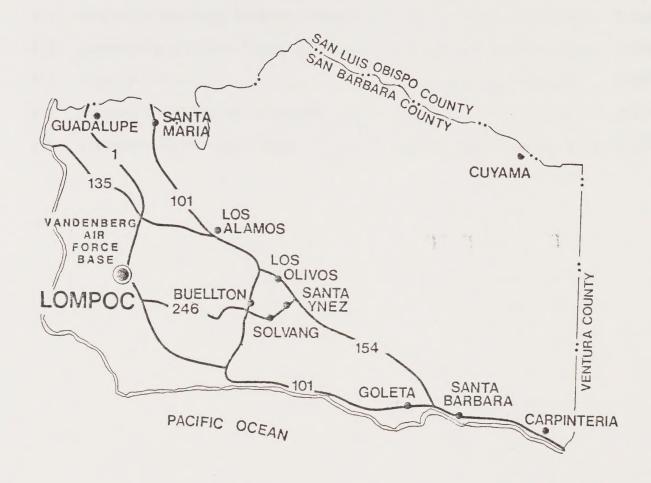
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1.0 INTRODUCTION

City of Lompoc





City of Lompoc



Figure 1.1
Vicinity Map

1.0 INTRODUCTION

The intent of the Housing Element is to provide direction for residential development in a way that coincides with the overall economic and social values of the Community. Most importantly, the Housing Element is an official municipal response to the need to provide housing for the diverse economic segments within the Community, and to address recent legal requirements which direct that housing policy be a part of each city's planning process. As such, the Housing Element establishes policies that will guide City Officials in daily decision making, and sets forth programs designed to assist the City in realizing its housing goals.

1.1 THE LOMPOC HOUSING ANALYSIS AREA

Lompoc is located in western Santa Barbara County to the east of Vandenberg Air Force Base. Access to the City is via State Highway 1 from the north and south and State Highway 246 from the east (see Figure 1.1 Vicinity Map).

Although this Housing Element is a Lompoc City document, many of the factors and issues discussed will have regional, State, and even national roots and implications. The Element is designed to guide City housing activities, but to properly analyze and understand housing in Lompoc City, we must often look beyond City boundaries.

1.1.1 The Lompoc Region

The Lompoc Region is usually defined as the area between Gaviota, Buellton, Los Alamos, and the northern boundary of Vandenberg Air Force Base.

The geography of the Lompoc Region is varied, and forms a natural topographic division with other surrounding regions. The Casmalia Hills and San Antonio Creek to the north, the Ocean to the west and south, and Highway 101 from Gaviota to the Santa Ynez River and Santa Rosa Creek on the east form the boundaries of the region. As such, Lompoc City is located in the center and the boundaries are natural topographic dividing lines with other regions.

1.1.2 The Lompoc Housing Market Area

For purposes of this Element the housing market is defined as an essentially independent and self-contained economic area. Three factors are considered in making this determination: 1) employment sources and journey-to-work distances, 2) the availability of governmental, health, recreation, and professional services, and 3) commercial and shopping facilities for the resident population of the region.

agriculture and petroleum operations. Commuting to these employment sources is generally from within the region with three notable exceptions: 1) commuting from the Santa Maria and Orcutt areas to Vandenberg Air Force Base, 2) commuting from the Lompoc region to Santa Ynez area employment, and 3) commuting from the Lompoc region to South Coast area employment, an increasingly large flow.

Services for the region are located primarily in Lompoc City with the exception of facilities on Vandenberg Air Force Base for personnel and their dependents. While governmental services such as fire protection, water, sewage, flood control and police are dispersed, the principal source or focus of medical, recreational, cultural and professional services and facilities is Lompoc City.

Commercial and shopping facilities are more dispersed. Lompoc has two major retailing districts, but each of the outlying communities in the region has commercial facilities, notably Vandenberg Village. Travel by region residents to the Santa Maria and South Coast areas for shopping and commerce is a relatively typical occurrence.

The Lompoc region's boundaries define a reasonably independent and self-sufficient economic area. While commuting to employment in the Santa Ynez and South Coast areas is becoming increasingly prevalent, the magnitude of the traffic is not sufficient to disregard Lompoc as a separate housing market area. This is also true for service and commercial factors. The cost of commuting and distances between central areas (30 miles to Santa Maria and 52 miles to Santa Barbara) also justify these boundaries.

1.1.3 Near-City Areas

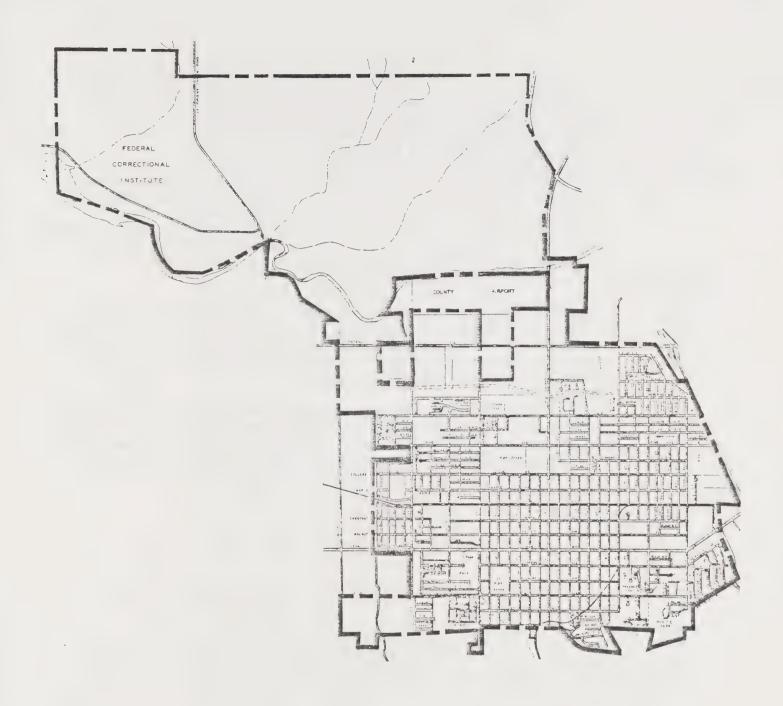
For purposes of this element, areas near the City of Lompoc that are, or may at some future date be, developed in housing, or more intense employment areas, are identified and analyzed. This is necessary to adequately cover the impact these areas have on demand for housing, land prices, and other important factors in the housing market. Inclusion of these near-city areas is necessary to insure a comprehensive review and does not indicate interest or intention of the city in expansion by annexation or extension of municipal services to these areas.

1.1.4 The Incorporated City

Although this Housing Element considers data relevant to the Lompoc region, the programs can primarly be implemented only within the jurisdictional limits of the City of Lompoc (see Figure 1.2).

1.1.5 <u>State Legislative Authority</u>

The State has set forth certain requirements for Housing Elements. In both the Health and Safety Code (Sections 50000-50002) and Government Code (Section 65302 c) the State has declared its intent



Incorporated
City of Lompoc

City of Lompoc



to attain the goal of "a decent home in a suitable living environment" for every California resident. The State Department of Housing and Community Development has published Guidelines to assist local communities in completing housing elements (Guidelines for the Preparation of Housing Elements, 1977).

This Element meets these Guidelines, which require certain analyses and the development of a reasonable strategy to remedy identified problems to the extent feasible. State Planning Law requires housing elements to contain "standards and plans for the improvement of housing and for the provision of adequate sites for housing", and "adequate provision for the housing needs of all economic segments of the community".

In addition, Assembly Bill 2853 establishes criteria which necessitate the inclusion of "Fair Share" housing needs. The Santa Barbara Area Planning Council (APC) has prepared Lompoc's "Fair Share of Regional Housing Needs Plan". This plan establishes projected housing needs for all income groups.

This Element also covers many subjects not mandated by State law. The goals, policies, priorities and programs, as well as housing strategy were entirely developed by local processes and were not mandated by the State Planning Law or any State departments, outside of the implicit direction as stated above.

1.2 DATA AND INFORMATION SOURCES

This Housing Element uses the best available data to analyze the Lompoc housing market. Primarily Federal and State censuses are relied on, but the Element also includes information from site inspections, City planning and building records, sales and rental information from public and private sources, and investigative reports based on surveys, interviews and research by consultants to the City.

1.2.1 United States Census

The 1960, 1970, and 1980 censuses are used for background, trend and qualitative information. Even though the basic source of the information used in this Element was the 1970 census, old information was updated when 1980 census material was made available. All current Housing and Urban Development Department programs and review are based on this updated material.

1.2.2 California Department of Finance 1975 Special Census

For population projection and budget estimation purposes, the Department of Finance periodically conducts direct population surveys to verify and update their statistics. Lompoc and Santa Barbara County were surveyed in November of 1974. The report was published as the "1975 Special Census". This data source issued by this Element to define overpayment, overcrowding, income size, population, age, household, employment status and labor force participation statistics. This Element is organized using 1975 statistics as a baseline, or "picture in time", and then projections are made for future periods.

1.2.3 <u>City Survey and Inventory</u>

The City has available in its planning, zoning and building records many recent studies that have been used in this Element. The City also maintains a first-rate housing inventory system with computerized capability. A major site inspection and update of this system was undertaken to provide up to the present information.

1.2.4 Other Sources

The City has used real estate, appraisal, banking and other industries' reports, periodicals, and journals. This source material included "Indicators of Area Distress: An Introduction (August 1982), Fair Share of Regional Housing Needs Plan (December 1981), and Forecast 82 Santa Barbara County 1980-2000 (February 1983), all published by APC (Santa Barbara County-Cities Area Planning Council. Despite this vast array of factual information, the City lacked certain crucial data sources, and used a consultant firm to interivew knowledgeable individuals and firms, survey various original sources, and assist in analysis.

1.3 Organization

This document is organized to provide users an easy access to all information. All base information is included in Section 2.0, Housing Needs, Resources and Constraints or in the Appendix (on file with the City Community Development Department). Section 3.0 includes the goals and policies which comprise the intentions of the City of Lompoc related to housing. Section 4.0, Housing Program establishes a detained group of implementation methods which will attempt to guide housing development, redevelopment and rehabilitation.

2.0 HOUSING NEEDS, RESOURCES AND CONSTRAINTS

City of Lompoc



2.0 HOUSING NEEDS, RESOURCES AND CONSTRAINTS

This section will define the existing conditions in the City of Lompoc and attempt to make meaningful predictions and projections based upon past data and trends. Specifically this section will deal with:

population
employment
household characteristics
housing development
housing redevelopment
housing rehabilitation
housing contraints
supply and demand
vacancy rates
energy conservation
regional housing needs
special need groups
economic factors

Analysis of existing and predicted trends was essential for establishing the goals, objectives and policies which appear in Section 3.0. A considerable amount of background study was undertaken to complete this section of the Housing Element. Much of the results of this study was condensed for inclusion in the Element; the complete original analysis is included in the Appendix (on file with the Community Development Department).

ORGANIZATION:

This section will be organized as follows:

- a. Population This section will identify various groups, population trends and economic characteristics of the existing and projected population.
- b. Housing Demand This section will identify the economic base of Lompoc and make projections based upon four growth scenarios.
- c. Housing Stock This section will identify the quantity and quality of existing housing in Lompoc. It will also assess the potential for rehabilitation of deteriorating stock.
- d. Constraints (governmental and non-governmental) This section will identify the existing and potential limiting factors for provision of housing in Lompoc.
- e. Energy Conservation This section will identify inefficiency parameters of Lompoc housing.
- f. Fair Share of Regional Housing Needs This section will identify the housing needs of Lompoc relative to all income groups with an emphasis on regional characteristics.

2.1 Population

This section will discuss various population characteristics. It will discuss ethnic composition, special need groups, overcrowding and the ability of Lompoc residents to pay for housing. It wil also make population projections to the year 2000.

2.1.1 Ethnic Composition

The racial components of Lompoc from 1980 Census data follows in Table 2.1.

Table 2.1
Ethnic Composition

Ethnic Group	Number	Percentage
White	18534	70.6%
Black	1736	6.6%
Asian *	857	3.3%
Spanish	4796	18.3%
Other	344	1.3%

^{*} Includes Asian and Pacific Islander, American Indian, Eskimo, and Aleut.

The income level of these groups was not determined. A study completed in 1980 determined that income levels of home owners were very uniform regardless of race (Research and Data Collection by Planning Assistants, Appendix). This study however, did not consider renters.

County information indicates that minority groups tend to have larger families, lower income, and therefore more severe housing problems.

2.1.2 Special Need Groups

The City of Lompoc Housing Element will consider and attempt through its programs to provide for the needs of the following groups:

Handicapped Female Head of Households Elderly Large Families

Information resources did not identify a significant migrant farm worker population to warrent inclussion in the list setforth above.

These groups often require either financial aid or special design housing. Female head of households make up 11.7% of the households in Lompoc (1980 Census). Another group of significant number (7%) are the elderly; this group increased 659 persons from 1975 to 1980. This increase alone is over 2% of the total population. Lompoc's H.A.P. (Housing Assistance Plan - See Appendix) shows 290 elderly households in the lower income catagories and in need of rent subsidies. It also shows 1,393 small families and 123 large families in the same lower income catagories. Ten percent of Lompoc's population is handicapped to the extent of being classified as disabled according to a 1981 report by the Area Planning Council entitled Housing Needs of the Handicapped and Elderly.

Table 2.2

Special Need Groups

Possible Special	Handicapped	Female H of H	Elderly	Large Families
Needs				
Financial Aid	X	Χ	Χ	X
Special Design Housing	X		Х	Х
Access to Services	X		Χ	
Access to Transportation	Χ		Χ	

Source: The SP Group February, 1982

Currently there are certain facilities in Lompoc which handle special need groups particularly the elderly handicapped. These facilities include:

- a. Rainbow Plaza 31 units elderly handicapped.
- b. <u>LOVARC</u> Group Home 1 unit for six developmentally handicapped.
- c. Lompoc Convalescent Center 74 beds elderly handicapped.
- d. Proposed addition to the Lompoc Convalescent Care Center 36 beds - elderly handicapped.
- e. Blythe Homes 15 units elderly, 1 unit elderly handicapped.

2.1.3 Overcrowding and Ability to Pay

In Lompoc overcrowding is slightly more prevalent than county-wide (see Table 2.3). Minority overcrowding is higher due to larger families with lower incomes. Overcrowding and ability to pay are highly related. Since costs for housing are increasing faster than salaries nation wide, this problem will most likely expand. The generally accepted norm for housing cost is 25% of income. This norm is rapidly becoming more an exception than the rule. Figures from 1975 show that 16.2% of the population of Lompoc was paying more the 25%. The 1980 Census figures show that it has increased to 22.7% of the population. This overpayment is distributed throughout the income ranges as shown on Table 2.4 entitled "Overpayment".

PURCHASE AND RENTAL COSTS: Like the rest of the nation, Lompoc saw a decline in home purchases over the third and fourth quarters of 1979 and the first quarter of 1980. There were 4 purchases in the third quarter, 21 in the fourth quarter and only 6 in the first quarter of 1980. Equity in these homes is approximately 20 to 25% of the purchase price, having a resident minimum average income of \$28,000. At a 12% interest rate, 19 to 32% of the purchasing family's income is obligated to their monthly loan payments. This compares favorably with the Federal governments guidelines of "affordable" housing.

The 1980 Census measured the median monthly cash rent at \$209. With 87% of renters paying less than \$300 and only 11.3% paying between \$300 and \$400, these figures fall within the Federal Governments definition of "affordable" housing. However, an extrapolation from Table 2.7 (Household Income Distribution and Housing Costs) shows that in 1980, 67% of renter households earning less than \$20,000 a year payed 25% or more of their income for housing. Fourty-six percent of this same group payed 35% or more of their income for housing. Approximately 78% of all renters were in this income catagory. Only 2% of renters earning more than \$20,000 a year payed 25% or more of their income for housing.

Thirty-eight percent of owner occupied households earning less than \$20,000 a year payed 25% or more of their income for housing and 21% of this same group payed 35% or more of their income.

Approximately 37% of all owner households were in this income catagory. Of those owner households earning more than \$20,000 a year, 12% payed 25% or more of their income for housing and 2% payed 35% or more.

Due to the build-up at Vandenberg Air Force Base, the rents have gone up a great deal since the 1980 Census. This is illustrated on Table 2.5 entitled "Sampling of Rents in Better Quality Apartments and Condominiums".

Table 2.3 Overcrowding

AREA: Lompoc City

Persons Per Room	Non- Minority	<u>Spanish</u>	Black
1.51+ (severe overcrowding) 1.01-150 (overcrowded) -1.00 (less than one person per room)	1.3% 4.0% 94.7%	3.9% 12.2% 83.9%	3.6% 13.4% 83.0%
Total Occupied	6,435	876	253
Persons Per Household	3.18 *	3.88	3.36%
Percent Below Poverty	11.3*%	9.7%	23.8%

AREA: Santa Barbara County

Persons Per Room	Non- Minority	Spanish Mino	rity Black	
1.51+ (severe overcrowding) 1.01-150 (overcrowded) -1.00 (less than one person per room)	1.1% 3.5% 95.4%	6.7% 13.5% 79.8%	4.1% 13.2% 82.7%	
Total Occupied	70,712	11,547	1,670	
Persons Per Household	2.99 *	3.86	3.47	
Percent Below Poverty	12.9%*	14.1%	24.0%	

Source: County of Santa Barbara Housing Element July, 1981

TABLE 2.4 OVERPAYMENT - 1980 CENSUS (25+ % of Income)

Owner Costs

% OF TOTAL	0	6.	2.47	3.20	3.79	2.24	98.	0	4.50	0	1.60	3.10	22.66
% OF TRACT	0	13.97	18.10	34.81	26.05	22.98	6.45	0	34.84	0	23.25	23.69	22.66
TOTAL	0	261	536	362	572	383	527	0	508	0	271	515	3.935/100%
20,000	0	16	24	52	58	22	Ŋ	0	87	0	21	53	338/8.59%
15-19,999	0	০	13	23	34	23	5	0	28	0	19	19	164/4.17%
10-14,999	0	9	6	14	9	13	16	0	25	0	9	15	. 110/2.79%
5-9,999	0	14	29	37	27	12	0	0	21	0	11	19	170/4.32%
0-4,999	0	0	22	0	24	18	∞	0	16	0	9	16	110/2.79%
NOT	0	0	4	0	0	0	7	0	4	0	m	7	25
CENSUS	26.01	27.02	27.03	27.05	27.06	27.07	27.08	28.01	28.02	28.05	28.06	28.07	City Total

TABLE 2.5

SAMPLING OF RENTS IN BETTER QUALITY APARTMENTS & CONDOMINIUMS

LOMPOC, CALIFORNIA

RATES AS OF JULY 1, 1983

		2 bedroom	3 bedroom
APARTMENTS			
Oceanwood		\$ 465	
Chestnut Village	##-	475	
Fiesta Village		435	
	AVERAGE	\$ 458	
CONDOMINIUMS FOR RENT			
Lenco Homes		\$ 525	\$ 575
Cypress & A (Denson)		575	650
1200 East Walnut (West)		525	en va aa
Winchester Village		575	650
Linda Vista Townhomes			700
Cypress Woods		550	
214 South F Condominiums		600	
	AVERAGE	\$ 558	\$ 644

None of the apartment complexes with over 300 units had a vacant apartment for rent on July 1, 1983.

2.1.4 Population Projection

Historically the population of Lompoc has experienced periods of both rapid growth and decline. These period coincide with activity levels at Vandenberg Air Force Base (see Table 2.6, Historic population trends).

This Section presents population projections to the year 2000. Assumptions are detailed for factors such as assumed new employees from out of the area and assumed new population due to factors other than employment, e.g., retirement. Population growth and resultant housing unit demand are evaluated against anticipated housing supply to indicate the likelihood of the new population in securing housing. Water overdraft was not used as a constraint on population projections since development and growth policies do not reflect it. Supplies or buildout of vacant residential land restrict or halt housing production, population increase is also halted to respect these constraints. The cohort survival model which includes a discussion and presentation of input data and assumptions of fertility, labor force participation, migration and mortality is included in the Appendix.

Tables 2.7 and 2.8 showing population projections and projected change in household size are from Forecast 82, published by the APC (Santa Barbara County-Cities Area Planning Council). The Forecast 82 document should be referred to for a detailed discussion of the methodology and assumptions.

2.1.5 Employment

"On a regional basis agricultural employment growth is expected to slow during the next decade due to increased mechanization. This is supported by E.D.D. studies. Mining employment will increase due to intensified oil exploration and development in the offshore areas of the North County and offshore areas of the South Coast. Because of Vandenberg Air Force Base expansion in the North County and industrial development in Santa Maria and the South Coast, the manufacturing sector will have notable growth throughout the County. Other strong employment growth areas into the late 1980's will be the retail-service sector, with a reduction in retail growth in the early 1990's due to Vandenberg projected stabilization and market saturation on the South Coast. However, the service industry is anticipated to be a strong sector throughout, staying consistent with national trends.

Between 1990-2000, projection of employment change is wholly based on a U.S. Department of Commerce, Bureau of Economic Analysis Projection. These growth rates reflect a reduction in employment growth from previous years which is consistent with present constraints. These constraints take on two forms: actual limitations (e.g. limited water) and potential constraints such as pressures for growth control, following a period of rapid growth, which may develop in the North County.

TABLE 2.6

CITY OF LOMPOC HISTORIC POPULATION TRENDS 1890-1983

NUMBER OF YEAR PERSONS CHANGE **AVERAGE** PERIOD IN CHANGE PERCENT ANNUAL% YEARS 1890 1,015 1900 972 -43 -4.2.42 10 1910 1,482 510 52.5 5.25 10 1920 1,876 394 26.5 2.65 10 2,845 51.7 1930 5.17 969 10 1940 3,379 534 18.7 1.87 10 1944 5,844 (a) 2.465 73.0 18.25 4 1946 6,000 (b) 156 2.7 1.35 2 1950 5,520 -480 -8.0 -2.0 4 1960 14,415 8,895 161.1 16.11 10 1965 24,102 9,687 67.2 13.44 5 1970 25,284 1,182 4.9 0.98 5 1975 24,237 (d) -1,047-4.1 -0.82 5 1980 26,267 (e) 2,030 8.4 5 1.68 1981 27,062 (f) 795 3.0 3.0 1 1982 27,389 (f) 327 1.2 1.2 1

888

3.2

3.2

1

28,277 (f)

1983

(d) Special census, State Department of Finance, 1975.

2 -

⁽a) Special census by the U.S. Bureau of the Census, August 8-12, 1944.

⁽b) Estimate by Eberle Economic Service, May 1916 based upon census of dwelling units.

⁽c) Special census, State Department of Finance, 1969.

⁽e) 1980 Census by the U.S. Bureau of the Census, April, 1980.

⁽f) January estimate by the California State Department of Finance.

TABLE 2.7

POPULATION PROJECTIONS

1980-2000

	1980	1985	1990	1995	2000	1980- 1990	1990- 2000
Lompoc Region	44,779	52,200	55,600	58,400	58,400*	10,700	2,800
Lompoc City	26,267	30,400	31,700	32,800	32,800	5,400	1,100
Unincorporated	18,512	21,800	23,800	25,500	25,500	5,300	1,700

NOTE: Totals may not add due to rounding.

SOURCE: Forecast 82, Table XI, by Santa Barbara County Cities Area Planning Council.

^{*}Assume buildout results in stable population.

TABLE 2.8
PROJECTED HOUSEHOLD SIZE

REGION	1980	1985	1990	1995	2000
Lompos					
Lompoc					
Population	44,779	52,227	55,572	58,386	С
Group Quarters Population	2 150	2 500	0 500	0 500	
droup quarters ropulation	2,159	2,500	2,500	2,500	
Household Population	42,620	49,727	53,072	55,886	
			·	,	
Households	14,996	19,103	22,141	24,246	
Household Size	2.84	2.60	2.40	2.30	

C - Buildout reached. Source: Forecast 82 Table 2.9 entitled Employment Projections is an overall estimate of employment growth by economic sector for the Lompoc region. This Section's information was taken from the Santa Barbara County 1980-2000 Forecast 82 published by the Santa Barbara County-Cities Area Planning Council.

2.2 Housing Market DEMAND

This Element makes certain assumptions about the state of the Lompoc housing market, factors leading to and supporting housing demand, factors defining and constraining housing supply, and the ways prices, rents vacancies and production costs interact to produce residential expansion. For purposes of this Element, a very large role is assumed for land costs as a spatial determinant, and financing costs as an effective demand determinant. Additionally, the role income taxation, housing investment funds, inflation and economic uncertainty is brought into the analysis where possible.

A supply and demand framework is used to explain pricing. The unit of measure will be the dwelling unit, although it is recognized that size, quality of construction, age and environmental factors will have important additional influences on price. Where necessary, units of measure such as bed spaces, total floor area, or other factors will be used as noted.

Many housing analyses assume that selling prices of homes will equal production prices. This Element specifically rejects this assumption per se, relying on the intersection of total effective housing demand at a point in time against the total available housing supply to determine prices. As a consequence, it is assumed selling prices will not necessarily equal production costs. This gives a larger note to uncertainties, variations in tax consequences, type of financing, and land acquisition costs as determinants of price. The role of excess or deficient demand and ability or willingness of consumers and investors to pay for available housing is increased.

The following list of assumptions outlines the system of analysis.

2.2.1 Demand Factors

- a. The primary source of housing demand is "basic" economic activity in the region. This "basic" income is supportive of "local" economic activity leading to total regional employment and income.
- b. Commuters from the region to other regions for employment increase "basic" income, whereas commuters from other regions for employment decrease "basic" income. The net effective demand is calculated from the difference of the two factors, while the total potential demand is the sum of the two factors.

TABLE 2.9

EMPLOYMENT PROJECTIONS

REGION: LOMPOC

UMED EMPLOYMENT AND COMPOUND ANNUAL EMPLOYMENT GROWTH RATE

Conomic Sector

TOR	EMP 79	79 GRO 1	EMP 80	GR0 1	EMP 85	GR0 2	EMP 90	GRO 3	EMP 95	GRO 3	EMP 2000
icul ture	4	454 0.025	465	0.025	526	00.00	526	0.000	526	0.000	526
ing		000.000	0	0.000	0	00.00	0	-0.016	0	-0.016	0
struction		373 0.050	392	0.050	200	0.01	526	0.007	545	0.007	564
ufacturing	1 2587	090.00 78	2742	090.0	3669	00.00	3669	0.009	3837	0.009	4013
nsportation		337 0.040	350	0.040	426	00.00	426	0.005	437	0.005	448
lesale Trade		248 0.020	253	0.020	279	0.01	293	0.007	303	0.007	314
- est	1744	14 0.040	1814	0.040	2207	0.01	2320	0.011	2450	0.011	2588
ance, Insurance Real Estate	ance	508 0.050	533	0.050	089	0.01	715	0.010	751	0.010	789
vices	2845	15 0.040	2959	0.040	3600	0.05	3975	0.014	4261	0.014	4568
ernment	4409	0.025	4519	0.025	5113	0.01	5374	0.005	5510	0.005	5649
VL	13505	35	14027		17000		17824		18620		19459

EMP = Employment by Year GRO = Assumed Annual Compound Growth Rate NOTE: Jobs associated with Manville mines are counted in manufacturing.

- c. "Investment demand" is the total cash loss of investors in regional rental housing. This cash loss is the difference in total cash operating costs less total income from rental housing. The fraction of investment demand from regional investors is counted as "local" income and is accounted for within the regional system. That fraction of investment demand from our-of-region investors is current "basic" income to the region and arguments effective demand for rental units.
- d. An addition component of demand is the potential demand of those households not now living in the region, who wish to, or intend to move to the region in the near future and who are competing for available housing.
- e. The final catagory of housing demand support if from "passive" income earners. This refers to residents of the region who are not employees. Retirees, pensioners, unemployed, and proprietors are in this group, as well as investors and property owners. This income is counted as a "basic" economic activity (except proprietors) on property income from "local" economic activities.

Note: Demand for rental units is dependent on many factors similar to owned units. It is also largely dependent on two other factors. Firstly, the transient segment of a population will tend to rent rather than buy. Large transient population segments cause a high demand for rental units. Secondly, the owner unit housing market directly affects rental unit demand. A shortage of available units or a shortage of cash to purchase housing will force a large number of persons to rent, thereby increasing overall rental unit demand.

No comprehensive studies have been undertaken to assess the Lompoc rental unit market demand. A high population of transients (Vandenberg and prison related) and the current high interest rates, however, are indicators that demand will continue to increase. Currently (1980 Census), Lompoc housing is 50% renter occupied.

2.2.2 Household Demand Factors

In the previous section, sources of income supporting regional housing demand were detailed. In this section, assumptions about the distribution of that income and its use for housing expenses are detailed. The following factors are noted:

a. It is assumed that the labor force participation mode of various sections of the population is a primary determinent of income distribution and household income earning ability. This Element looks at the extent of participation by second and third income earners in a household. The level and incidence of unemployment

is also important. It is assumed that standards and willingness of households to have more members working is an indication of the severity of housing need.

- b. The skills and educational level of the population are indicative of income expectation and the relative need and support of the regional economy for a range of income levels and opportunities for changes is those levels. It is assumed that housing values and prices should bear an appropriate resemblance to labor force skills and proficiency over time.
- c. It is assumed that the income of each household is the most important factor affecting its demand for housing. The effect of the income tax of State and Federal government is recognized as an important intervening factor between actual market prices and the relative cost to each household or investor.
- d. The size of the household is assumed to be a secondary factor in housing demand. As the relative price of housing rises, it is assumed that households will be increasingly less concerned with crowding.
- e. The age, sex, and marital status of household members is changing quite rapidly. It is assumed that the direction of changes observed in the last five years will continue through the time frame of this Element, 1990. Specific assumptions will be detailed in the population projections.
- f. This Element assumes that household wealth is a critical factor in choice of housing tenure and ability to purchase housing.
- g. The expectations and preferences of households are assumed to have a relatively slight effect on housing demand, in general, except for upper-moderate and upper income households. This Element assumes that expections and preferences are more important in the housing demand for new construction than for existing housing. Other factors equal, this Element assumes the distribution of housing vacancies is primarily a result of preferences and expectation.

2.2.3 Housing Production Factors

This section analyses housing supply factors and sets forth assumptions used in the analysis. In general, it is assumed that the housing supply is produced by developers who are entrepreneurs using many factors. The developers are assumed to have relatively little control over factor prices, to produce housing with little variation in production costs within similar standards of quality per unit.

It is assumed that competition among builders in the face of effective demand is such to keep production and sale costs relatively constant, regardless of developer. The high level of information

and choice among available units at vacancy rates above 3.75% is assumed to insure competition.

Actual project financial information volunteered by developers showed the following breakdown of total unit production costs:

Housing Production Costs

Construction Raw Land	54.4% 14.75	60.0% -0-*	59.0% 12.4
Land Improvements	14.75	17.0	**
Financing	11.0	7.0*	12.4
Sales and Marketing	2.8	-0-	-0-
City Fees (includes meter hookups)	2.3	3.0	3.9
Miscellaneous (Professional,	-0-	13.0	12.3
Salaries, etc.)			
	100%	100%	100%

* Subsidized project.

2.2.4 Housing Finance Factors

The role of housing finance is assumed to be the primary determinant of housing affordability given dwelling unit size. It is assumed that the cost of housing finance includes both the interest rate and the "foregone" income from interest that could have been earned on the down payment, loan origination fees, and other expenses of borrowing. Consequently, lending practices on interest rates, loan to value rations, fees, and terms of loans are assumed to be of primary importance in the housing market.

Financing costs to unsubsidized developers account for approximately 11% to 12.4% of unit production costs.

The increases in recent years of mortgage financing has excluded many households from home ownership opportunities that existed prior to 1980. Currently the rate for a 30 year term, fixed rate mortgage is approximately 13 3/4%. A household earning 120% of the median income (\$29,800 X 120% = \$35,760) and paying 25% of its earnings for housing costs could afford monthly payment of \$745. Subtracting the average monthly utility costs in Lompoc (\$92.00) leaves a monthly payment of \$653. At the mortgage terms noted above, such a monthly payment could acquire a mortgage of approximately \$56,000. Assuming a 10% down payment, a unit would have to sell for \$62,222 to be affordable to the household earning 120% of the median income.

It should be noted that some of the housing market is made up of households willing to pay 33% of their earnings to encure a larger debt and pay a 20% down payment to obtain ownership housing. In other words, the same household described above may be willing to pay \$891 a month for a \$77,795 mortgage on a house costing \$97,244.

^{**} Land improvement costs included with construction costs.

2.2.5 Land Valuation

This Element assigns a controlling position to land values in the housing market. It is the assumption of this Element that land valuation is a "residual" factor price, determined over time by the difference between housing demand and minimum proudction costs exclusive of land and developers' profits. It is assumed that the "residual" as defined above is split by bargaining between the land owner and the developer, and is accounted for by "profit" and "land acquisition" costs.

Land value is also directly related to its potential for development. This is controlled by environmental characteristics to a certain degree, but more importantly, it is controlled by local government. The land use designation and zoning of a parcel largely determines its value. The highest potential dollar return is often the determining factor in land development. This is why a cut in lot size standards would not likely have a corresponding cut in housing costs. A lower standard increases the land's carrying capacity. Because land owners price their land on its per unit carrying capacity, they would receive the monitary benefit of such a lowering of lot size. The per unit land cost to the developer would stay relatively unchanged and he would have no savings to pass on to the consumer. This is why density bonuses are given only in exchange for production of "affordable" housing.

Actual project financial information volunteered by developers on the condition of anonymity show raw land costs of approximately \$5,000 per unit for high density residential and \$16,000 per unit for low density residential. This translates to a per acre cost of approximately \$108,000 and \$65,000 respectfully. Raw land costs account for 12.4% of production costs of the high density project and approximately 14.7% for a low density project. In Lompoc for example, land costs for apartments have been bid up (due to competition with condominiums) to a point where construction of apartments has not been financially feasible.

2.2.6 Lompoc Market Demand Analysis

There are three significant segments that make up the housing market demand in Lompoc. They are as follows:

- Inmigration due to people obtaining jobs related to the activities on Vandenberg Air Force Base.
- 2. Inmigration due to retirement.
- 3. Inmigration due to South County wage earners (commuters).

Demand by local households desiring to "move up" is evidenced by actual sales of new homes. However, this sector of the market is difficult to quantify and is not as significant as the others since one existing unit is vacated for each new unit obtained.

Lompoc region employment has already been discussed in Section 2.15 and illustrated on Table 2.9 entitled Employment Projections.

Table 2.10 entitled "Net Migration Assumptions Not Related to New Jobs", shows estimates of inmigration due to retirement and South Coast wage earners (commuters). A retirement estimate was arrived at by examining 1970-1975 and 1975-1980 increase in persons over 65. An estimate of net migration of this group was obtained by: a) determining persons in age groups 60-64 and 65+ for the two census periods, b) advancing the 60-64 age group through time, c) subtracting out deaths in both age groups using an assumption of 90% survival in 60-64 age group and 76% survival of the over 65 age group, d) the resulting figure was subtracted from the correct census count, e) the result is an estimate of net inmigration for persons 65+ for 1970-1975 and 1975-1980. In the Lompoc region the 1970-1975 increase in over 65 was +368 and +372 between 1975 and 1980. A baseline increase of 400 per each five year period was assumed to the year 2000.

Increases of 1050 due to South Coast wage earners is projected for the five year period from 1980-1985. A study done by City staff in 1980 showed that during 1979 30% of single family home purchases were to South Coast wage earners who commuted to work.

These three sectors of market demand are depicted in their role of projecting the Lompoc region net migration of 5134 (Table 2.11, Source: Forecast 82 by Area Cities Planning Council). Utilizing a figure of 2.6 persons per household yields a housing demand of 1975 for the City of Lompoc.

Inmigration together with local household formation due to aging of the local population and a shrinking figure for the average persons per household form a projected housing demand of 2,200 units for the City of Lompoc during the period from 1980 to 1985 (see Table 2.12 entitled Household Formations). As of this writing, 670 units have been built in the City since April 1980 and permits for another 173 units (under construction) have been issued. This would indicate that approximately another 1,350 units are needed by 1985 to satisfy the projected demand. There is over a 1,000 units with Planning approval and another 460 units pending approval for a build-out potential of approximately 1,500 units in 1984. It appears that if other constraints such as financing costs, ability to pay etc., will allow, the potential to meet the projected demand does exist.

It is difficult to assertain how many households would have immigrated to Lompoc had housing costs been less expensive, or if better quality housing were available, but it is obvious that households that have immigrated have had the ability to pay for housing since they would not have come if they could not have obtained housing. It has been generally observed that new higher paying jobs in the area have increased the demand for housing and thus costs have gone up significantly since 1980.

TABLE 2.10

NET MIGRATION ASSUMPTIONS
NOT RELATED TO NEW JOBS

Region	Factors	1980-1985	1985-1990	1990-1995	1995-2000
·	a. Retirement	400	400	400	400
	b. South Coast Commuters (Commuters x people/household)	(350 @ 3.0) 1050	(200 @ 2.8)	(180 @ 2.6) 468	(190 @ 2.5) 475
	TOTAL	1450	960	868	875

Source: Forecast 82 published by Santa Barbara County-Cities Area Planning Council

TABLE 2.11
PROJECTED NET MIGRATION

REGION: LOMPOC

FACTORS/YEAR 1980-85 1985-90 1990-95 1995-2000 487 512 509 1,989 New Basic Employment 315 309 327 984 New Local Employment 256 254 243 1,492 New Basic Employees (50%) (50%) (50%) (75%) from Out of Area (%) 82 492 79 77 New Local Employees (25%)(25%) from Out of Area (%) (50%)(25%) 1,984 333 320 338 Total New Employees from Out of Area 1,417 238 229 241 Subtraction to Account (1.4)(1.4)(1.4)for Increased Workers (1.4)per Household (#) 572 624 3,684 619 New Population at (2.4)(2.5)Assumed Household Size (2.6)(2.6)(household size) 875 960 868 1,450 Additional Population due to Retirement, Education 1,499 5,134 1,579 1,440 Net Migration Estimate

Note: See text for discussion of assumptions.

TABLE 2.12

HOUSEHOLD FORMATION (HOUSING DEMAND)

	19	1980-1985	5	19	1985-1990		19	1990-1995		1995-2000	
	Popula- tion		Household Change	Popula- tion		Household Popula- Change tion	Popula- tion		Household Popula- Change tion	Popula- Household tion Change	PL
Lompoc Region	7400	100%	4100	3300	100%	3000	2800	100%	2100	Buildout	
Lompoc City	4100	25%	2200	1300	40%	1200	1100	40%	800	Buildout	
Lompoc Unincorporated	3300	45%	1900	2000	%09	1800	1700	%09	1300	Buildout	

This causes social stress and adjustment as some are out-bid for housing and have to move down in housing quality. For discussion on ability to pay relative to financing see Section 2.2.4. For ability to pay in 1980, see Table 2.14 entitled Household Income Distribution and Housing Costs.

2.3 HOUSING STOCK

This section will detail the quantity, composition and condition of existing housing in Lompoc; it will identify vacancy rates and their significance. This section will also attempt to show the specific rehabilitation needs within the City.

2.3.1 Housing Quantity and Types

As of October 1983, Lompoc's unit count was approximately 10,572 of which approximately 10,441 (98.76%) were occupied (see Section 2.3.2 Vacancy Rates). Table 2.13 shows Lompoc's "Housing Stock by Type" as of April 1982.

	Tab	1e	2.1	3	
Housi	ng	Sto	ck	by	Туре

Mobilehomes	654	6.3% *
Single Family	6,359	61.0%
Condominiums	719	6.9%
Apartments	2,695	25.8%
Total Units	10,427	100.0%

^{*}Includes 33 recreation type trailers.

The 1980 Census indicated that 50% of Lompoc's housing stock was renter occupied. Most observers speculate that this figure has increased since 1980. Assuming this percentage is the same and assuming condominiums are 60% renter occupied and mobilehomes are 50% renter occupied results in a calculation that approximately 30% of all single family residences are rented.

Table 2.15 shows occupied assisted units in Lompoc as of October 1983. This Table shows 6% (675 units) of Lompoc's housing stock is in some way publicly subsidized. Approximately 7% of Lompoc's apartment housing stock is publicly owned housing. The total publicly assisted units account for approximately 13% of renter occupied units in Lompoc. This assumes the 50% renter occupancy figure from 1980.

Because growth in the Section 8 Subsidy Program has been sporadic in the past and dwindling rapidly during recent years, no projection of future growth in the program can be reasonably forecast.

TABLE 2.14

HOUSEHOLD INCOME DISTRIBUTION AND HOUSING COSTS

HOUSEHOLD INCOME BY GROSS RENT AS PERCENT OF INCOME

RENT AS %			INCOME		
OF INCOME	0 - 4,999	5,000 - 9,999	10,000 - 14,999	15,000 - 19,999	20,000 +
0 - 19%	12	57	195	410	842
20 - 24%	27	52	264	120	127
25 - 34%	34	328	249	93	200
35 + %	749	757	62	38	2
Not Computed	102	8		41	14
Subtotal/% of Renter Households	924/20%	1,202/26%	787/17%	677/15%	1,001/22%

HOUSEHOLD INCOME BY SELECTED MONTHLY COSTS AS PERCENT OF INCOME

OWNER COSTS	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		TWO DME		
AS % OF INCOME	0 - 4,999	5,000 - 9,999	10,000 - 14,999	15,000 - 19,999	20,000 +
0 - 19%	17	145	267	284	1,934
20 - 24%	46	99	40	40	189
25 - 34%	6	89	54	113	283
35 + % Not Computed	101 25	102	95	51	55
Subtotal/% Owner Households	198/5%	371/9%	417/11%	488/12%	2,461/63%
Total/% All Households	1,122/13%	1,573/19%	1,204/14%	1,165/13%	3,462/41%

SOURCE: 1980 Census

OCCUPIED ASSISTED UNITS IN THE CITY OF LOMPOC

Total	4	302	200	110	24	675
Other		33	4			37
Section 8 Mod Rehab		12	∞			21
Section 8 Aftercare	4	∞	6	ç -		22
Section 8 Existing		173	143	70	16	402
Public Housing		9/	36	38	80	193 *
Bedrooms	0_		2	m	4	TOTAL

* 35 units of this figure is Family Public Housing now under construction. Two bedroom units: 25; Three bedroom units: 11.

2.3.2 Vacancy Rates

The City of Lompoc has an effective monthly monitoring method utilizing the electricity utility. The number of units "turned off" yield the monthly vacancy rates. This method may tend to estimate vacancy rates slightly lower than actual rates. This is due to the fact that new units that are vacant and for sale for more than one month with the meter turned on are counted as occupied. In the majority of cases, the developer has the meter actuated for final occupancy check and leaves it on while marketing the unit. All master metered units (90) and most mobile homes (610) are not calculated in this vacancy formula. The City also relies on two other sources of information for vacancy rates: a) it utilizes census information and b) it uses information from the Federal Home Loan Bank which bases its rates on data supplied by individual mail carriers. However, these vacancy figures are not directly comparable since methodologies vary.

The vacancy rates in Lompoc are set forth in Figure 2.3. A 3.75% vacancy rate is assumed to provide an adequate level of choice for competition in the market. Lompoc's current low vacancy rate indicates a high demand for housing.

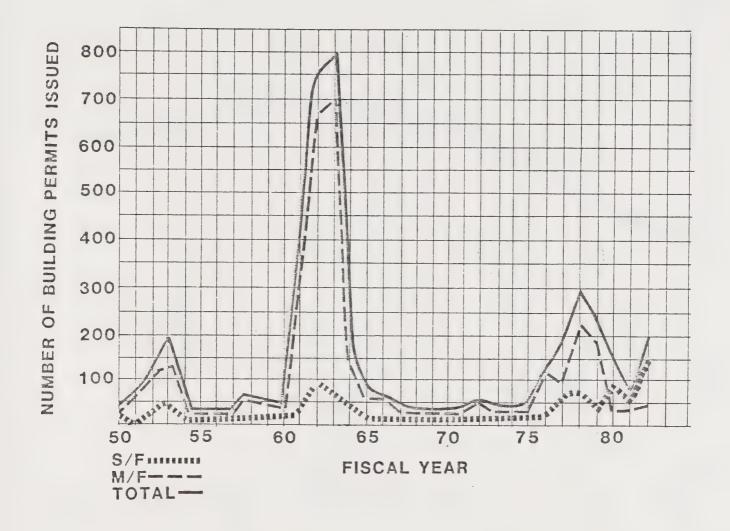
2.3.3 Stock Quality

Lompoc's H.A.P. (Housing Assistance Plan - See Appendix) indicates that there are 561 substandard units of which 75% are rentals and 25% are owner occupied. Approximately 10% of these substandard units are in such poor condition that they may not be worth rehabilitating. However, the remaining 90% of the substandard units are not the only units in need of rehabilitative maintenance. Over 4,000 units have reached age 20 when roof, plumbing and other major repairs are needed.

The average life of a modern stucco-covered wood frame residential structure has been estimated at 80 years, with a range of 40 to 120 years, depending on the quality of original construction and the level of maintenance provided over the years. During the life of such a structure, three or more roof coverings, two plumbing systems, and a series of space and water heaters, ovens and other improvements will need to be replaced.

Besides the deterioration and destruction of materials by age, houses are often prematurely destroyed because of improper placement, or by becoming functionally obsolete. This occurs when the predominate land uses in a neighborhood transition to non-residential uses, or when the entire neighborhood is converted to another use.

Clearly, the need for housing rehabilitation in the near term and incentives for housing preservation into the future, are very great. Such a large proportion of Lompoc's housing stock dates from 1958-63 that the need for rehabilitation will peak at once and continue indefinitely (see Table 2.16 and Figure 2.4).



NOTE: The number of building permits does not necessarily correspond to the number of units constructed.

Number of Building Permits Issued City of Lompoc



Revised Activation/Operation Employment

Projections, VAFB, All Projects
Source: VAFB ENVIRONMENTAL IMPACT ANALYSIS PROCESS Draft Supplement Projections

City of Lompoc

Projections, March 1981



Vandenberg AFB Work Force

AUG 1983 APR 1983 DEC. AUG 1982 HOUSING VACANCY RATES Vacancy AFR 1982 Flgure 2.3 19FC 1981 APR. 1381 DEC. 1980 AUG %5 4% 2% 969 3% %

City of Lompoc

TABLE 2.16

AGE OF HOUSING STOCK BY CENSUS TRACTS 1980 U.S. CENSUS

TRACT	TRACT 1979 - MARCH 1980	1975 - 1978	1970 - 1974	1960 - 1969	1950 - 1959	1940 - 1949	1939 or BEFORE	TOTAL
26.01	0	0	0	0	59	38	0	6
27.02	157	187	154	791	305	163	126	1,880
27.03	46	37	26	405	398	137	86	1,147
27.05	56	190	84	440	220	7	10	1,007
27.06	37	215	109	1,122	357	75	9	1,921
27.07	37	181	32	249	162	66	171	931
27.08	59	87	37	305	205	112	242	1,047
28.01	0	0	0	0	0	0	0	0
28.02	72	136	55	539	28	∞	0	838
28.05	0	0	0	0	0	0	0	0
28.06	0	14	0	299	16	0	0	329
28.07	0	54	0	551	47	16	4	672

698,6

657

999

1,794

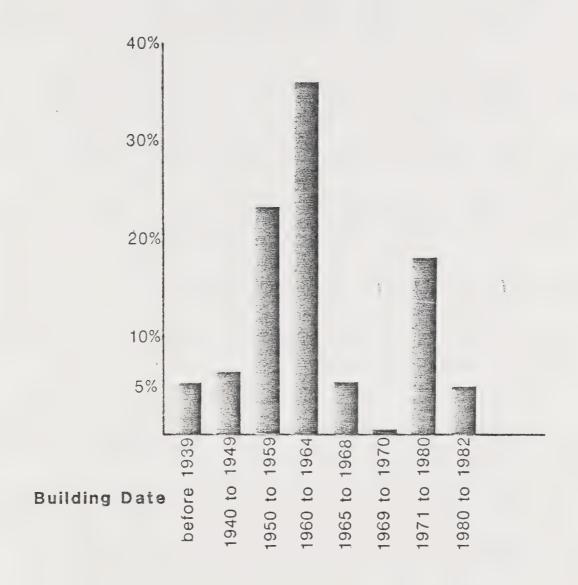
4,701

497

1,101

464

TOTAL



Housing Stock
Age Distribution

City of Lompoc



The increase in private-market repair and improvement in recent years is very encouraging. Using building permit data, it can be seen that the numbers of house alterations or improvement permits have almost doubled in seven (7) years.

The City of Lompoc has been concerned with the maintenance of housing quaility and rehabilitation for a long time. The city adopted a plan for systematic, concentrated building and safety code enforcement in 1969. This plan was not directly implemented, but housing rehabilitation was one of the first programs adopted when the Community Development Block Grant Program was implemented in Lompoc, beginning in 1975 and continuing through the present.

During the period from July, 1980 to September, 1983, 15 rehabilitation loans have been made at interest rates varying from 3% to 12% culminating in the rehabilitation of 35 units. Sixteen of these units were converted from an abandoned hotel and are therefore new units which were not previously available on the affordable rental market. Nine of the units rehabilitated during this period were owner occupied. Of those 9, 8% were of moderate income and 92% of low income. Forty-two percent were female headed households. In the catagory of type of household, 17% were elderly and disabled while 42% were elderly. Forty-two percent were small family and seventeen percent were large family.

Currently, Lompoc has allocated \$150,000 in Community Development Block Grant funds over the next two years (to June, 1984) for the Housing Rehabilitation Revolving Loan Fund. Without leveraging of private lender funds, it is projected that 10 to 15 units would be rehabilitated during this two year period.

Twenty of the thrity-five units rehabilitated between 1980 and 1983 were done in conjunction with the Section 8 Moderate Rehabilitation Program which the City co-sponsored with the Santa Barbara Housing Authority. This program provided rent subsidies necessary to assure the landlord a safe investment into rehabilitation.

2.4 CONSTRAINTS

Previous sections of this Element have reviewed the current housing market and made a projection of housing demand through 1990. This section will identify possible constraints that will affect the ability of the private sector to supply adequate housing to meet demand. The two interrelated factors that will be discussed in this section are governmental and non-governmental constraints.

2.4.1 <u>Governmental Constraints</u>

Government constraints considered were fees, processing time, and development standards.

FEES: Most local governments in California have increased their fees more than 100% since 1978 when a property tax limitation (Proposition 13) was implemented. However, in Lompoc, building permit fees have increased only 50% since 1978 and planning fees have not increased at all. Planning and building fees are set forth on Table 2.14. Present building fees are in line with the fee schedule of the 1979 edition of the Uniform Administrative Code. Before July, 1982, electrical fees had not been increased in over 20 years and sewer connection fees since 1974. Both of these fees were increased in July, 1982 to cover City costs. These fees and water fees are also set forth on Table 2.17.

Typically, fees do not account for more than 10% to 15% of the production cost of a house. A sampling of current projects in Lompoc shows that fees account for approximately 2% to 4% of the production cost for multi-family developments and approximately 3% to 4% for single family developments. The conclusion of this Section is that currently, City development fees are not a major constraint to the production of affordable housing.

PROCESSING TIME: The following development expenses are increased by delays in processing time.

1. Property tax on property site if it was not secured by an option.

2. Finance charges on loan needed to purchase site if not owned, joint ventured, or secured by an option.

3. Loss of interest income on capital invested in the site.

Finance charges on construction loans that are recorded at the time the bulding permit is issued are not affected by the plan approval process, but rather by delays in construction. Construction delays are not typically caused by the City, but rather by rain, inability to get materials, labor strikes, or work scheduling problems.

Lompoc's Planning and Development Review Processing procedure is designed to process projects in 4 to 10 weeks. An additional 10 to 14 weeks is necessary for the few projects that must have an Environmental Impact Report prepared as required by CEOA (California Environmental Quality Act). Also, projects that require General Plan changes may be delayed several months due to State regulations on the number of General Plan changes that can be made in a year. The Building Division Plan Check process has typically taken 3 to 6 weeks. Lompoc's processing time compares favorably to that of other jurisdictions. All apartment projects are given priority processing in Lompoc. Unlike most communities, the Lompoc City Council has given its approval authority regarding tentative subdivision maps to the Planning Commission. This eliminates one public hearing and the time necessary to comply with public noticing requirements. Both the Planning Commission and the Lompoc City Council have regular meetings twice a month.

DEVELOPMENT STANDARDS: Lompoc's development standards were found to be a reaction to sound planning and engineering standards designed to meet the publics needs. However, a review did identify requirements for covered parking for apartments and codes which prohibit residential uses in commercial zones as potential constraints to affordable housing. As of this writing, the covered parking requirement has been deleted. However, new development standards allowing residential uses mixed with commercial uses have not yet been developed.

2.4.2 <u>Service Information and Infrastructure Constraints</u>

In Lompoc the main service or infrastructure contraint is related to availability of water. Infrastructure costs are for the most part, borne by developers as new development occurs. Lompoc's sewage treatment plant has adequate capacity to serve anticipated growth over the next decade. Other City services can undergo gradual expansion with housing expansion.

WATER:

Residential water is provided by City of Lompoc, Park Western Company, and the Mission Hills Community Services District. All water currently is pumped from wells drawing from the Lompoc Valley Basin, underlying approximately 24,200 acres (113 square miles). Although exact figures are in dispute, the basin has a safe yield of approximately 17,300 acre/feet per year, which is presently close to being fully committed to agricultural, residential and other uses.

The City of Lompoc has recently completed a new storage tank and other improvements to its water distribution system. Improvements are also being made in Mission Hills. Water connection fees are increased 5% annually and fully cover this City's present water infrastructure costs. However, the increased water treatment costs which are partially caused by increased demand from new development, are paid for by annual increases in the service charges to all water users.

New water demand due to population growth is illustrated in Table 2.18. The forecasted population and water demand assumes no change in the current policy of permitting continued development in the water basin. Since the water supply originates in underground basins already subject to overdraft, new demand aggrevates the overdraft situation. However, in the near term (5 years) the overdraft is not foreseen to result in any water shortages, but rather a combination of poorer water quality or increased costs of maintaining water quality.

If water demand is not reduced, overdraft of groundwater basins could increase 39% by 1985, 55% by 1990, and 70% by 1995 from urban uses alone. Readers are referred to Forecast 82, by the Santa Barbara County-Cities Area Planning Council, for a more detailed discussion.

Although opinions are mixed about the status of the present water supply, it is generally felt that in the long run Lompoc's housing supply will have constraints imposed upon it due to an overdraft situation. This has recently been evidenced by an attempt of the City to annex County land with a zoning designation of R-2. To obtain the County's concurrence, the land had to be annexed as R-1. This was due to the concern about water by the County. There have been some steps taken to combat this problem. Currently, there is a joint study on supplementary water being conducted by the Department of Water Resources and Santa Barbara County Flood Control and Water Conservation District. This study is due to be completed in March 1984.

SEWAGE DISPOSAL:

Sewer infrastructure costs are calculated to be approximately \$1,200 per unit. This is based on the amortized replacement cost of the wastewater treatment plant relative to its capacity and the average flow per household (224 gallons per day). The present sewer connection charge is \$475 per unit. Sewer connection charges are set forth on Table 2.17.

Prior to March, 1983, a sewer line overload situation existed in Lompoc's northern areas that were the most likely areas for residential expansion. This factor was a definite constraint to the development of new housing. The City had plans prepared for an east-west sewer interceptor main and the project was financed by the City issuing Certificates of Participation. The financial obligation of these Certificates are being paid by increases in sewer connection fees, a 50 % increase in the user fees for the first year and an annual 5% increase in the user fees after the first year. The east-west sewer interceptor main was completed in March, 1983.

ELECTRICITY:

New electrical infrastructure to serve development is fully paid for by the developers with the exception of the electrical meter charge. This charge is presently subsidized by the City, however, this electrical meter charge is scheduled to be increased incrementally until the developer pays the full cost by July, 1983.

2.4.3 Private Market Constraints

The primary private market constraints are the price levels of land, financing and construction. Although new, innovative designs of structures minimize construction cost to some extent, other new features such as microwave ovens, dishwashers, and two car garages increase these costs.

In the late 1970's, major efforts were made to expand the acceptance of mobile homes, modular homes, and other factory-built housing. In

Table 2.17 Development Fees

ANNEXATION CHARGES: Resolution No. 2960(80)			
Parcels up to 15 acres			
PROCEDURE FEES: Resolution No. 2756(78)			
General Plan Change		\$ 400.00 400.00 200.00 200.00 100.00 25.00	
Parking and storing construction equipment, storage of materials, Outdoor Sales (garage)		2.00 500.00	
Tentative Parcel Map. Parcel Map. Preliminary Subdivision Map. Tentative Subdivision Map. Final Subdivision Map. Certificate of Compliance. Waiver of Parcel Map. Reversion to Acreage. Time Extension. Condominium Project: Tentative Subdivision Map. Final Subdivision Map. Any appeal.		100.00 100.00 300.00	plus \$10 per lot per lot, \$300 minimum plus \$10 per lot per lot plus \$10 per condo unit per condo unit
ELECTRIC METER CONNECTION FEE:			
\$50.00 per unit			
SEWER CONNECTION FEE:	Actual	Sample Ap	pplications
5/8" to 3/4" meter\$ 709.00	Single	Family Ho	ouses\$709/unit
1" to $1\frac{1}{2}$ " meter 1155.00	8 Unit	Apartment	t 288/unit
2" meter 2310.00	30 Unit	Apartment	t 122/unit
3" meter 3675.00			

Table 2.17 Development Fees (Continued)

WATER CONNECTION FEES:	Actual Sample Applications
(Includes Installation & Plant Amortization)	
5/8"\$ 607	Single Family Unit\$607/unit
3/4"	8 Unit Apartment 165/unit
1" 946	30 Unit Apartment 103/unit
1½"	
2" 1760	
3" 3088	
BUILDING PERMIT FEES:	
TOTAL VALUATION	FEE
\$1.00 to \$500.00 \$501.00 to \$2,000.00	\$10.00 \$10.00 for the first \$500.00 plus \$1.50 for each additional \$100.00 or fraction thereof, to and including \$2,000.00
\$2,001.00 to \$25,000.00	\$32.50 for the first \$2,000.00 plus \$6.00 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$170.00 for the first \$25,000.00 plus \$4.50 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$50,001.00 to \$100,000.00	\$283.00 for the first \$50,000.00 plus \$3.00 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 and up	\$433.00 for the first \$100,000.00 plus \$2.50 for each additional \$1,000.00 or fraction thereof.
BUILDING CONSTRUCTION FEE: (for lights,	parks, etc.)
15¢ per square foot	
FIRE STATION DEVELOPMENT FUND:	
10¢ per square foot	

TABLE 2.18

WATER DEMAND-SUPPLY ANALYSIS
FOR LOMPOC REGION

REGION	FAC	CTORS	1980-85	1985-90	1990-95	1995-200
Lompoc	1.	Population Increase	7400	3300	2800	~
	2.	Per Capita Water Demand (A)	.17 AFY	.17 AFY	.17 AFY	.17 AFY
	3.	Total Water Demand	1258 AFY	561 AFY	476 AFY	-
	4.	Regional Surplus (+) Deficit (-)	-3300 AFY	-4558 AFY	-5119 AFY	-
	5.	Water Balance	-4558 AFY	-5119 AFY	-5595 AFY	-

SOURCE: Forecast 82, Santa Barbara County-Cities Area Planning Council, 1982.

⁽A) County of Santa Barbara, Jones and Stokes, 1979, Environmental and Water Resources Reconnaissance Study for State Water Project and Alternatives, p. 224.

general, \$3 to \$10 per square foot in construction costs can be saved. Additional savings are possible by shorter construction periods on site, and by decreased financing charges. Objections to this type of construction have been based largely on aesthetic and architectural considerations, as well as the useful life and rehabitability of the units. Many of these problems are being overcome and the factory-built home will probably receive acceptance in the future.

Another important private market constraint is the lack of financing for residential structures, and the high interest rates to obtain them. New forms of mortgage, have been conceived to partially offset the impact of these changes, but generally, borrowing has become more expensive and will remain so for the foreseeable future.

Another constraint is land valuation and the possibility of profit in residential development. As has been developed earlier, this is fundamentally a regional consideration, often frustrated by a complex interaction of regional economic changes, age progression, and government policies that effect housing demand. The limitation of supply opportunities by natural environmental factors and government policies is treated explicitly in a previous section. Land and financing costs will be the most important housing constraint faced in Lompoc during the 1980's.

2.4.4 Land Constraints

An obvious limitation to development of housing is available suitable land. Every city has a fixed amount of land under its jurisdiction which can be changed only by annexation.

Suitable vacant land for residential development that could be annexed is limited to areas north of Lompoc. Lands to the east and west are recognized and designated as agricultural preserves. Scenic hillsides exist to the South.

INVENTORY OF SUITABLE SITES:

Table 2.19 shows that Lompoc has approximately 777 acres of vacant land within its current municipal boundaries of which 488 has residential zoning. The unit potential of the 488 acres of vacant land with residential zoning currently within the City boundaries is 3,117 units. This does not account for 25% density bonuses which are available or street dedications which may occur on larger parcels developed in typical single family subdivision style. Even by reducing the unit carrying capacity estimate by 20%, the residential vacant land currently within City boundries should support population increases until 1995 (see section 2.14 and Table 2.7, Population Projections).

An additional 140 acres (approximately 800 units) of vacant land that is outside the current City boundries has a General Plan land use designation of residential and is likely to be annexed as needed to expand housing capacity.

Although availability of land does not appear to be a constraint, each land use catagory should be reviewed individually to determine adequate stock to meet demand and in fact to exceed demand to some extent if possible. This is to encourage competition of land prices.

The City's stock of vacant "T" Zoning (residential mobilehome park district) is completely depleted. However, State law now allows mobilehome parks in any residential zone (Government Code Section 65852.7) with a Conditional Use Permit to impliment local development standards. Considering this, a case could be made that "T" Zoning is no longer necessary. The elimination of the "T" Zone or the lack of developable land in the "T" Zone, puts mobilehome park developments in the direct competition with single and multi-family developments for land. If the City considers mobilehome parks as a viable form of affordable housing and wishes to assure availability of land at prices feasible to encourage development, the "T" Zone should be continued with some vacant developable land included.

With the exception of the "T" Zone, the stock of vacant land in each category is adequate to meet the projected population to 1985. However, the Fair Share Allotment assigned to Lompoc is 610 units in the low and very low affordable categories (see Section 2.6). Programs should aim to provide these units by 1985. If it is assumed that the Fair Share Allotment accurately depicts demand and that it is only feasible to provide these units on vacant land zoned for multi-family residential development, then Lompoc's stock of multi-family property would be approximately 45% depleted by 1985. If a significant portion of the allotted 472 moderate income units were also built out in the milti-family zones, the depletion would be even more serious. This could be offset by zoning more land within the City to R-2 or R-3. Vacant land and areas underdeveloped (low improvement value) are the best candidates for such zone changes to encourage housing. A survey of vacant and underdeveloped sites is depicted in Figure 2.5, "Inventory of Vacant and Underdeveloped Sites". If additional residential sites are desired without annexing agricultural lands, Figure 2.5 identifies 41 acres of "vacant" and 29 acres of "underdeveloped" industrial or commercial land that is judged suitable for residential development.

The City's own materials storage yard on "V" Street and the Grefco settlement ponds are the only two underdeveloped sites judged to have any potential for residential development. The latter would only occur if Grefco went out of business or relocated near the mines. The storage yard may be able to hold approximately 10 to 15 units and the settlement ponds adjacent to the Santa Ynez

River could be developed with 75 to 150 units with R-1 or R-2 zoning respectfully. Vacant commercial and industrial sites suitable for residential development have the potential of providing approximately 500 to 600 units assuming a mix of R-2 and R-3 zoning densities.

A zoning related constraint is the conversion of housing to commercial uses in commercial zones. Many blocks, such as the 100 block of North "B" Street, are zoned for commercial use but are almost entirely residential. However, as houses or vacant lots slowly convert to commercial uses, it can reduce the residential value of the surrounding houses. These neighborhoods are often stable residential areas providing housing in a catagory of affordability that cannot be provided by new construction even with public subsidies. Lompoc has approximately 3% of its housing stock (289 units) in this situation. At a time when there is abundant vacant commercial sites available and residential improvements are at a premium, it is unrealistic to expect commercial development to occur in all of these residential areas. Areas such as these that are not needed for commercial uses should be given residential zoning. This will preserve needed affordable housing stock, encourage maintenance, eliminate problems obtaining fire insurance and increase property values.

TABLE 2.19 VACANT LAND INVENTORY

Zone	Acres	Maximum Unit Potential
T	-0-	-0-
R-A	44	96
R-1	304	1,891
R-2	33	479
R-3	30	653
C-M	28	
P-M	137	
C-0	1	
C-C	-0-	
C-2	3	
PCD	121	
OS	6 5	
PF	11	
TOTAL	777	3,117 units

SOURCE: City of Lompoc, September, 1983.

2.5 ENERGY CONSERVATION:

Escalating costs and questions concerning availability of fossil fuels have led many local governments to reassess their policies and goals concerning energy use. Domestic, commercial and industrial

consumption of energy will no longer be able to be entirely dependent on the traditional fossil fuels in the long term. Further, price and availability of traditional fuel sources is usually beyond the control of the local government. To assure the long-term viability of economics and the well being of residents, the City must implement policies which effect reduction in energy consumption within the community through conservation and utilization of alternative energy sources. The City has and should continue to incorporate renewable energy sources into the energy base for the community, along with more traditional sources which may to some degree, be controlled locally.

Conservation is perhaps the largest energy source available to Lompoc. It becomes a source of energy when all individual users of energy become more efficient. If users as a whole conserve, population growth can occur without the need for expansion of energy services.

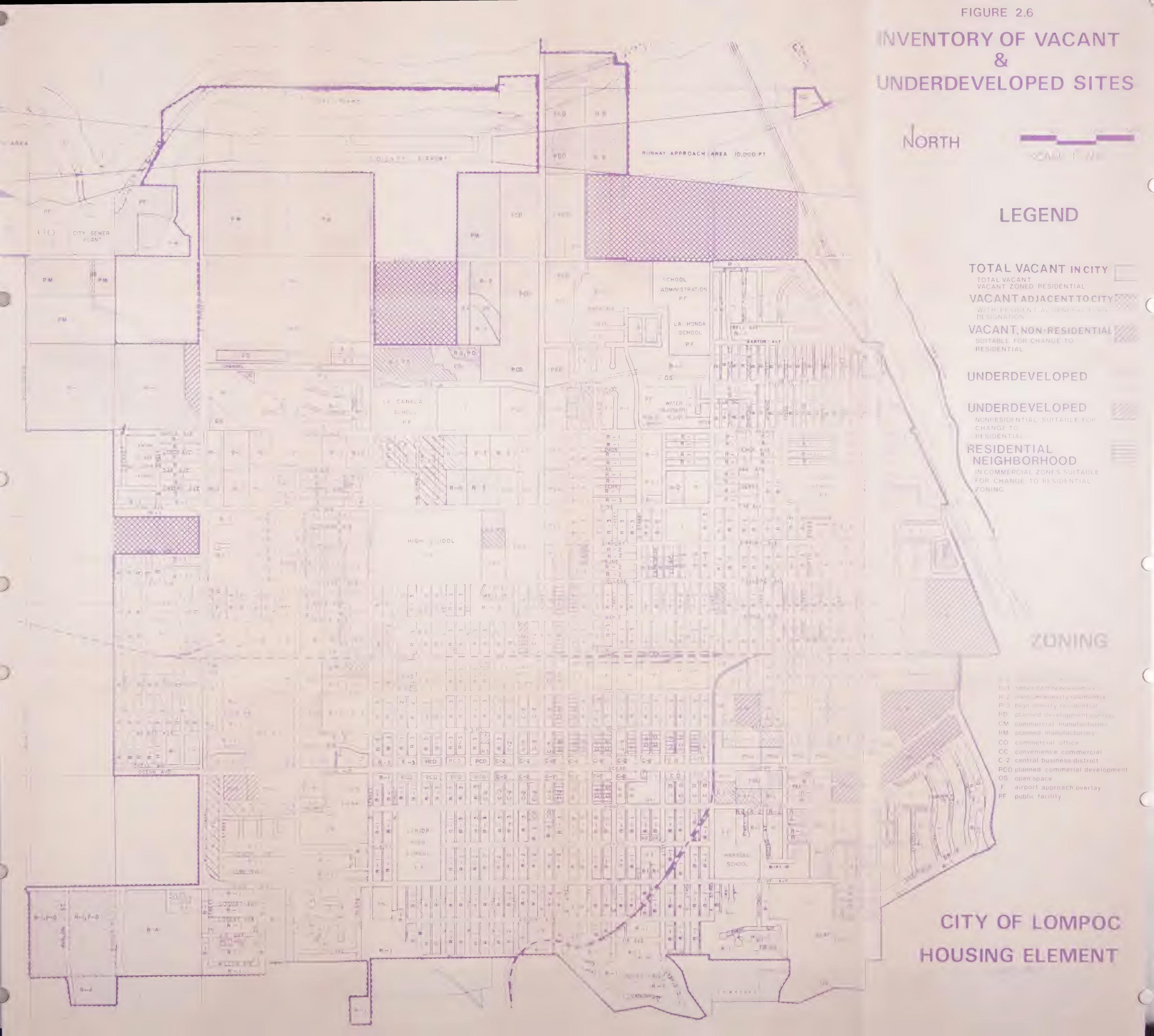
2.5.1 <u>Alternative Energy Sources</u>

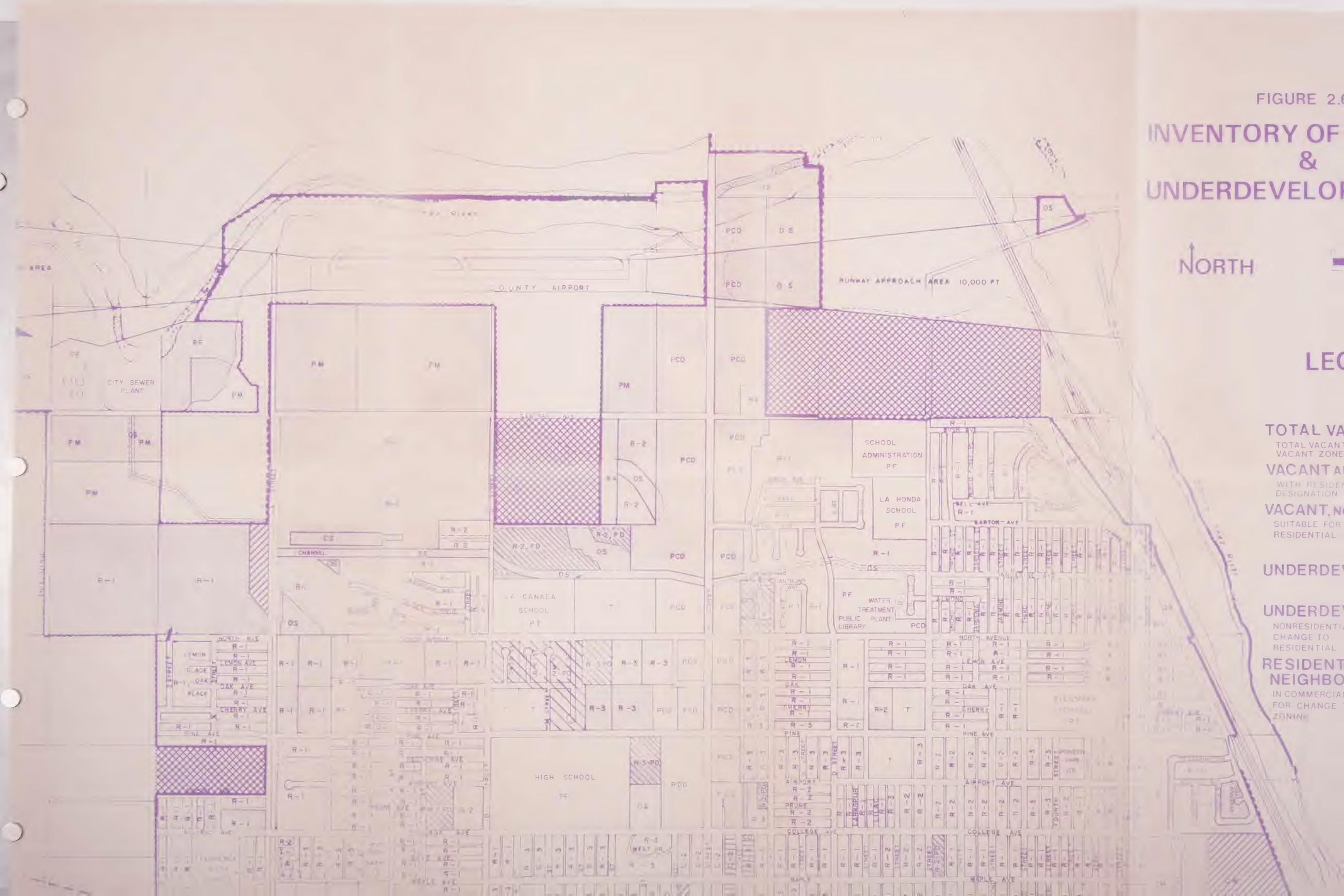
In conjuction with conservation, alternative renewable energy sources can be utilized. A renewable source is one which does not depend upon a fixed supply of fuel, but rather it depends upon a fuel which is constantly being manufactured at a rate equal or greater than the use rate.

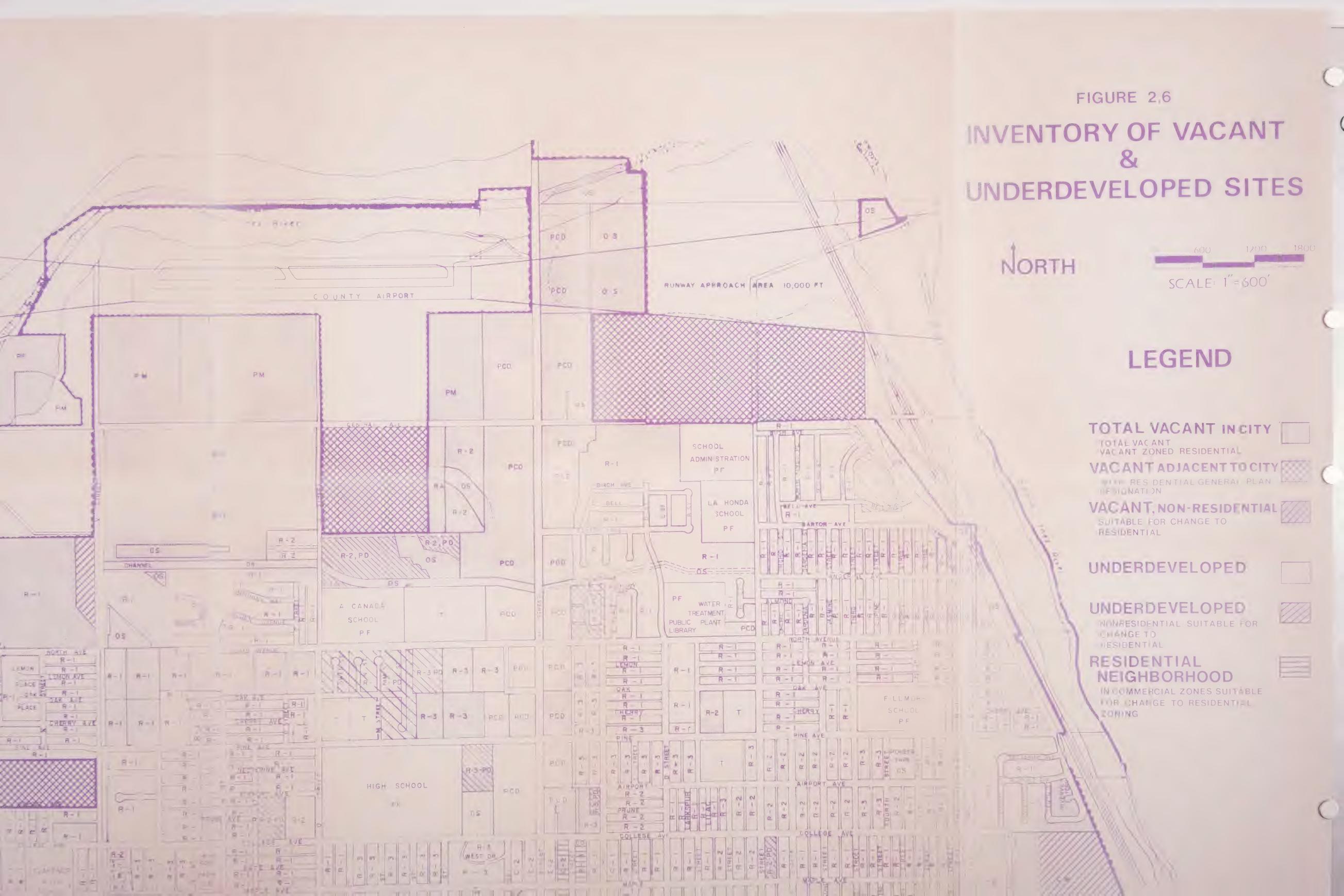
Much of the construction in Lompoc took place years ago during times of relatively cheap and abundant supplies of traditional fuels (oil, gas, etc.). This to a large degree is why many structures in the City are energy inefficient for todays needs, and would benefit from a change of existing to alternative fuel sources. In fact, they may place constraints on energy efficient design by not recongizing the requirements for utilizing alternative energy sources.

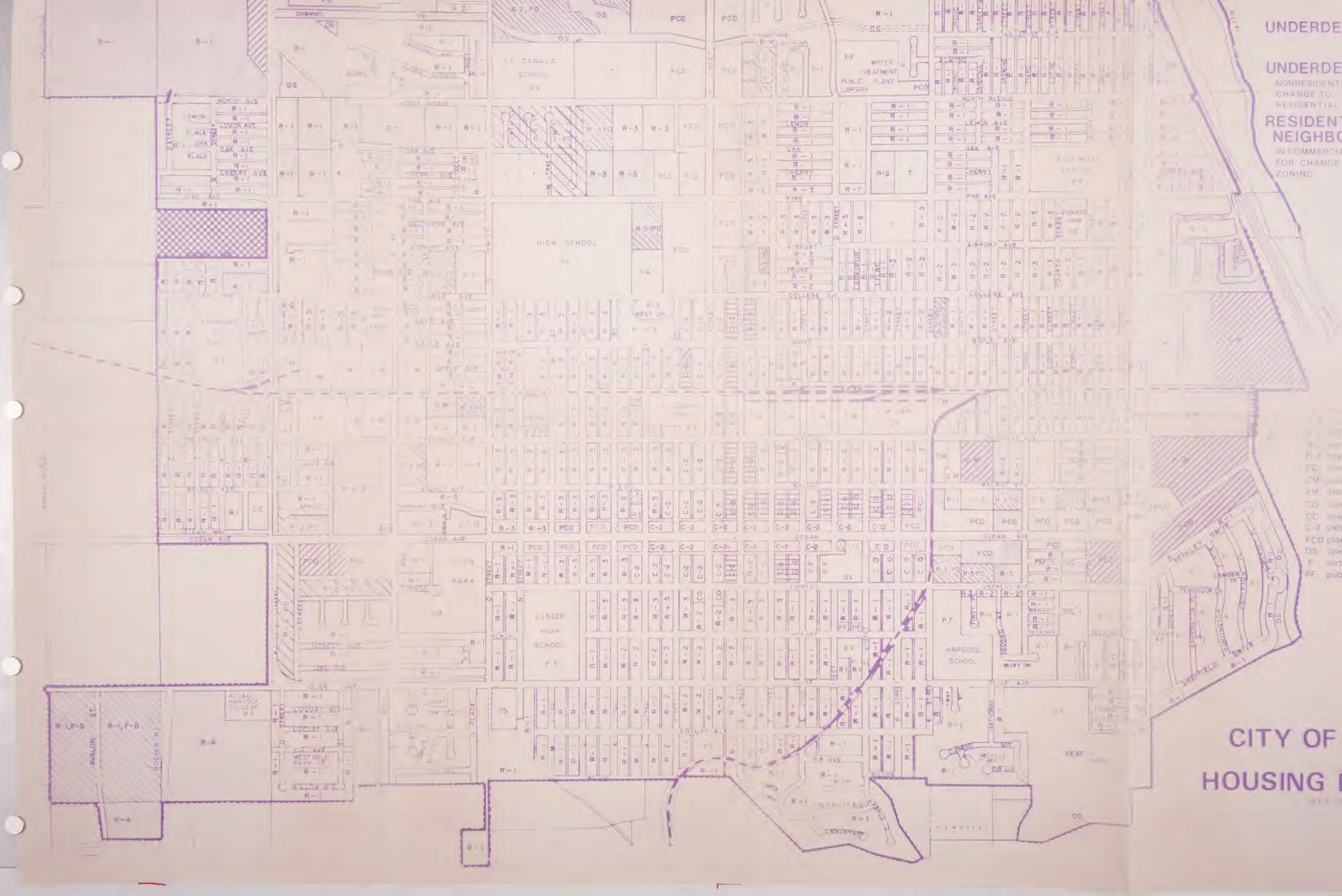
a. SOLAR ENERGY - Solar energy can be efficiently utilized for space heating, space cooling and water heating. Solar water heating is practical for new construction and retrofitting of existing structures. Passive space heating and cooling systems could be quite practical, but in many instances they would require re-orientation and redesign of existing structures.

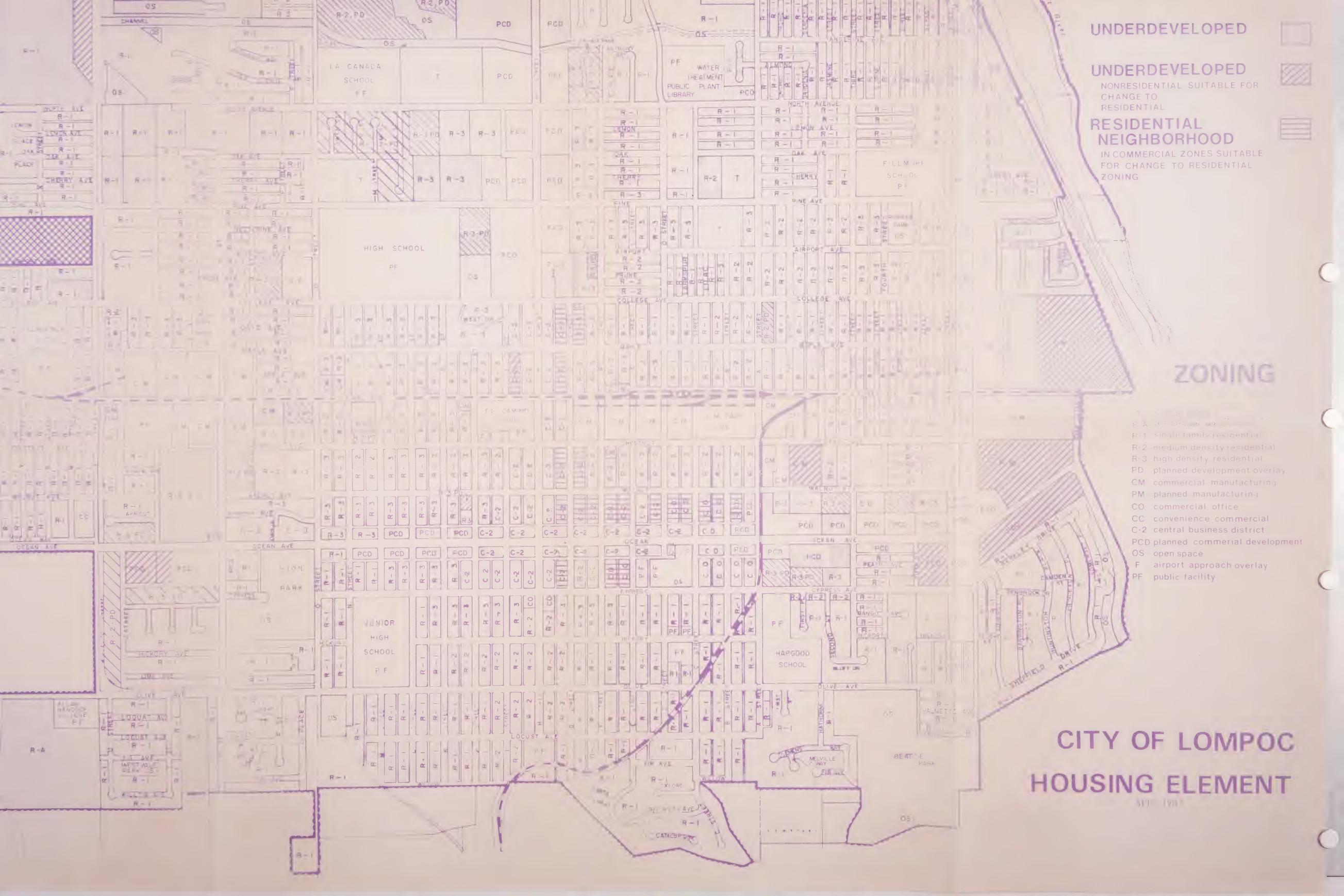
Capital investment for solar energy systems can vary a great deal depending on the nature of the system. Passive solar design costs can be incorporated into building design budgets and can represent only a small fraction of the overall design costs. Costs associated with construction of active systems can be substantial depending on the programmed needs for heating and cooling, but may not be any greater than conventional systems.











SONING



Additionally, cost savings for active systems can be realized by incorporating passive solar design features. Another cost saving feature of a solar energy system is the elimination of need for purchasing fuel. However, like conventional energy systems, active solar energy systems have maintenance costs.

Incentives for institution of solar energy systems are many. Low interest loans and tax deductions are available to homeowners and businesses alike to help defray capital costs for implementation of solar energy systems. In addition, Federal grants to private citizens and local governments are available for demonstration projects.

b. BIOMASS ENERGY - Biomass energy is contained in plant tissues and is related in various forms during the processes of decay or consumption. Municipal wastes, both liquid and solid, are the most available source of biomass energy.

The City presently operates the Regional Wastewater Plant and generates 50,000 cu. ft. of methane gas daily. This methane is generated through an anaerobic gassification process and is all used to power engines that:

- 1. Run blowers to provide air to activated sludge for the anaerobic digestive system.
- 2. Provide heat to anaerobic digestive system.
- 3. Generate elecricity to operate the wastewater plant.
- 4. Provide heat through exhaust heat exchanger to heat the buildings.
- c. WIND ENERGY Technology for capturing wind energy on a large scale cost-effective basis is presently in the research stage. However, in the near future this form of energy should not be overlooked in providing localized power supplies for electricity. Privately owned wind driven power generators are successfully providing electrical power to individual homes, but this has not seen widespread application due to initial capital investment and availability of land.

2.5.2 <u>List of Future Firm and Planned Sources</u>

CALAVERAS NORTH FORK STANISLAUS HYDROELECTRIC PROJECT: The Northern California Power Agency (NCPA), of which the City of Lompoc is one of twelve members, has proposed development of a hydroelectric project capable of producing 200 megawatts. The project members have approved a financing package. The Water District and NCPA have agreed to use the "turn-key" approach to project construction. Prequalification proposals are now being requested with the selection of a construction firm expected in 1984.

GEOTHERMAL PROJECT NO. 2: The Northern California Power Agency has an agreement with Shell Oil Company for the supply of steam produced from Shell's geothermal leasehold interests in Somorria and Lake Counties in California. This project consists of two 55 megawatt steam turbines. This project went into commercial operation in January, 1983. Lompoc's share of the output will be 3.266% or 3.59 megawatts.

GEOTHERMAL PROJECT NO. 3 (EAST BLOCK SHELL): This project, also per agreement by the Northern California Power Agency and Shell, is under construction with completion scheduled for late 1985/early 1986. The project consists of two 55 megawatt steam generators. Lompoc's share of the output will be 4.096% or 4.5 megawatts.

WESTERN AREA POWER AMINISTRATION - CENTRAL VALLEY POWER: A purchase agreement for 5 megawatts of peak hydroelectric power was executed and will provide power from 1982 to 1994.

2.5.3 <u>Possible Future Energy Sources</u>

- Wind generation cooperative project with Vandenberg Air Force Base.
- 2. Methane collection at the City Landfill for energy generation.

2.6 FAIR SHARE OF REGIONAL HOUSING NEEDS

Because housing need is a function of the regional housing market, housing policies and programs adopted by local agencies have regional as well as local impacts. Land use and development policies which determine the distribution of employment and population also affect the region's housing supply and demand characteristics. In order that each locality accept some share of the collective responsibility for the provision of housing needs of the various economic segments in the market area, and in recognition of the importance of a coordinated response to the regional housing problem, the California Housing Element Guidelines require regional councils of governments to develop a fair share adjustment. Provided by Santa Barbara Area Planning Council (APC), this adjustment varies between localities, based upon the individual city's proximity to jobs, its ability to provide public services and facilities, the relationship of the local income distribution to the regional income distribution, projected community growth and existing housing needs.

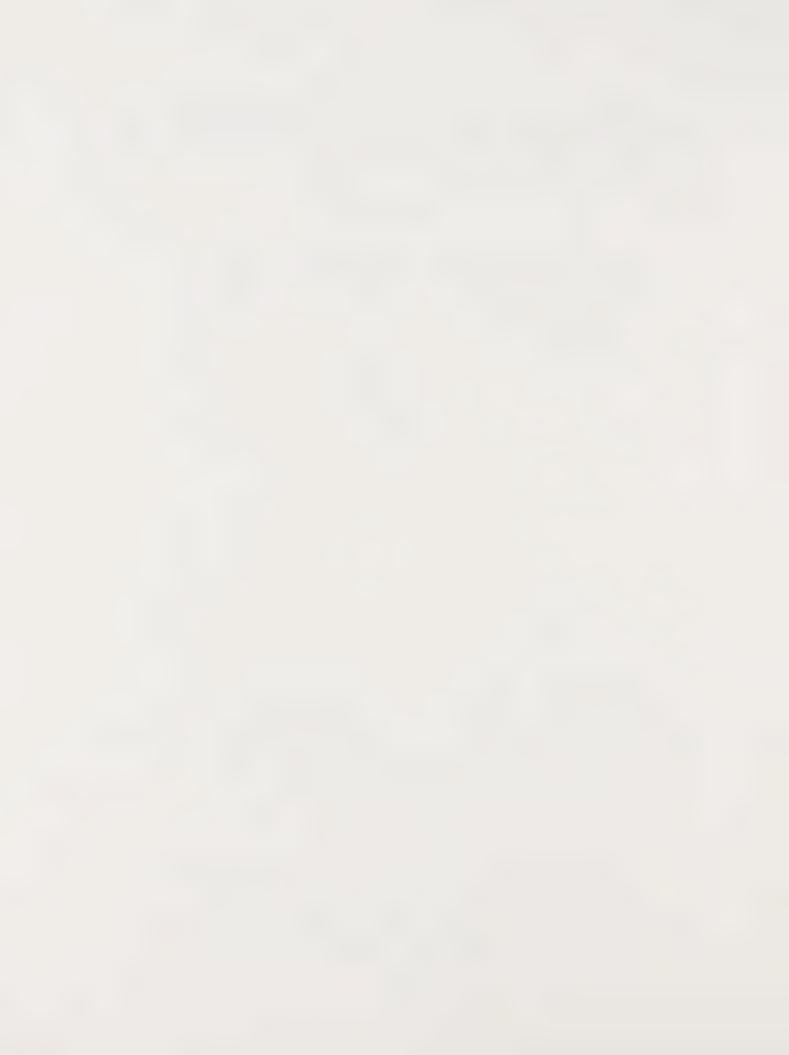
The fair share allotments are divided into four categories based on income level.

- 1. Very low 50% median income
- 2. Low 51-80% median income
- 3. Moderate 81-120% median income
- 4. Above moderate 120% + median income

Using projections from this Housing Element and Santa Barbara Region income characteristics along with existing housing needs, the APC determined Lompoc's fair share of regional housing needs (1980-1985) to be:

Table 2.20 Fair Share Allotment

Income	Group	No.	Households		%	
High I	ncome		690		39%	
Modera	te		472		27%	
Low			322		18%	
Very L	OW	-	288	_	16%	
TOTAL			1,772	1	.00%	



3.0 GOALS AND POLICIES

City of Lompoc



3.0 GOALS AND PROCEDURES

The purpose of the Housing Element is to promote an optimal state of housing in the City of Lompoc. Some goals can be achieved through available public and private resources while others can only be encouraged.

Section 2.0 identified and analyzed the characteristics which control or influence housing in Lompoc. Through this analysis certain issues and problems became evident. These issues and problems, including State mandated Fair Share Allotments, have been increasingly more difficult to resolve under current economic conditions. Lompoc, as well as other California cities have over recent years seen great increases in the cost of housing. Wages over the same period have not increased at the same rate. This trend has affected persons at almost all income levels, but particularly affected are lower income groups. Economic realities have also negatively afected the development of new rental units and the continued viability of current rental housing. The cost of new housing has heightened the need to maintain and upgrade older housing. The issues and problems as identified through Section 2 analysis are the reasons behind goal and policy information.

Based on State enabling legislation, the State Housing Element Guidelines and the specific characteristics of Lompoc, the following goals and policies have been established to provide guidance for the City's response to housing needs and the requirements of the planning process.

Goal 1:

The City shall maintain a choice of housing opportunities by encouraging a variety of housing types and sizes, including a mixture of ownership and rental housing.

<u>Policies</u>:

- a. Encourage increased opportunities for home ownership but not at the expense of the availability of multiple unit rental construction.
- b. Discourage the conversion of existing rental units to condominium ownership in order to maintain the stock of available rental units and affordable housing stock.
- c. Promote the upgrading and repair of owner and rental housing including mobile homes throughout the City especially in identified target areas.

Goal 2:

The City shall encourage low and moderate income rental and ownership opportunities.

Policies:

- a. Include density bonus incentives in the zoning ordinance for low and moderate income housing developments.
- b. Promote construction of rental and ownership housing units for low and moderate income households utilizing public funding.
- c. Encourage private developers and lending institutions to participate in financial programs that provide housing for lower and moderate income hosueholds.
- d. Promote rental and ownership housing units for lower and moderate income households that are dispersed throughout the City.
- e. Continue to participate in regional and county-wide efforts in cooperation with the Federal and State governments to develop realistic, fiscally, responsible programs to provide housing for very low, lower and moderate income households.
- f. When feasible, utilize public funding to promote development of low and moderate income units to meet the needs as specified in the Housing Assistance Plan (HAP).
- g. Identify suitable sites for low-income housing and seek funding for acquisition: Coordinate other private and public agencies who are able to build low-income housing.
- h. Assure that units are reserved for low-moderate and special need group benefit when projects are aided with public incentives or funds.
- i. Encourage the continued viability of mobile homes and manufactured housing within the City to provide opportunities for lower and moderate income and elderly housing.

Goal 3:

The City shall implement programs to eliminate housing deficiencies and prevent future blight.

Policies:

- a. Ensure the protection of residential neighborhoods from encroachment by non-residential uses and impacts associated with those uses.
- b. Prohibit land uses within or adjacent to residential neighborhoods when such land use would lead to deterioration, reduction in property values, or impact the character of the neighborhood.
- c. Promote the rehabilitation of residences of historic value in the City.
- d. Encourage the preservation of residential dwellings located in non-residential zoned areas when all of the following conditions are met:
 - Said dwellings are currently and have been historically used for residential purposes.
 - Said dwellings are adequately maintained and are reasonably free from serious defects which could result in health or safety hazards to residents.
 - ° It is 'evident that said building(s) can provide necessary amenities and a suitable living environment.
- e. Establish criteria for identification of suitable target areas for rehabilitation.
- f. Promote rehabilitation of structures within these areas.
- g. Encourage rehabilitation of rental and ownership units throughout the City.

Goal 4:

The City shall work toward the elimination of racial and all other forms of discrimination that prevent free choice in housing.

Policies:

a. Promote fair housing practices within the City which reduce the effects of discrimination based on arbitrary factors such as race, color, religion, age, family, size, martial status, ancestry or national origin.

Goal 5:

The City shall encourage the inclusion of reasonable energy conservation measures for housing.

Policies:

- a. Require incorporation of energy conservation measures when public funding is utilized to assist in the construction or rehabilitation of low and moderate income housing or senior citizen housing.
- b. Promote the application of energy conservation measures for new housing construction and rehabilitation projects.
- c. Provide financial and technical assistance to homeowners who desire to improve energy efficiency of their homes but are unable to afford improvement costs.

Goal 6:

The City shall maintain policies to assure housing opportunities for the various economic segments and special-needs households of the City.

Policies:

- a. Provide density bonus incentives for construction of affordable housing units restricted for occupancy by senior citizens with low and moderate incomes.
- b. Pursue increased availability of affordable housing units that meet the needs of handicapped persons with low and moderate incomes within the City.
- c. Pursue increased availability of affordable housing units that meet the needs of female heads of households with low and moderate incomes.

Goal 7:

The City shall assure the development of residential environments which provide residents with access to employment opportunities, community facilities and proper services.

Policies:

- a. Establish the following criteria for evaluation of sites for affordable housing.
 - Adequate public services and facilities

° Compatible adjacent land uses

Access to:

Public transportation and freeways Employment centers Neighborhood commercial facilities Schools Recreational facilities

- Where feasible, location outside flood seismic and noise hazard areas; where unavoidable, adequate mitigation measures shall be integrated into development plans.
- b. Support the mixing of residential uses in commercial areas, especially in the downtown area in order to provide housing closer to work sources.

Goal 8:

The City shall promote a quality living environment that is safe and healthful.

Policies:

- a. Establish urban design review criteria for all residential development to include:
 - Aesthetic standards
 - ° Open space standards
 - Energy efficiency standards
 - ° Construction safety and quality standards.



4.0 HOUSING PROGRAM

City of Lompoc





4.0 HOUSING PROGRAM

This section is a five year plan for implementation of Lompoc's housing policies. After this time period, all programs will be assessed and either continued or discontinued based upon effectiveness. Certain specified programs, because of inherent characteristics will have a shorter or longer duration.

The programs are organized as follows:

Program: Definition of program

Responsible Entity: Entity with implementation responsibility

Schedule: Intended program duration

Program Objective: Intended program result

Policies Implemented: Keyed to Section 3.0

Program 1: The City shall adopt a condominium conversion ordinance (See Model Condominium Conversion Ordinance, Appendix) that will limit conversions when rental housing stock is in high demand (restrictions based upon rental vacancy rates).

Responsible Entity: Community Development Department,

Planning Division

Schedule: 1982-1987

Program Objective: City rental stock will be preserved when

vacancy rates indicate scarcity.

Policies Implemented: 1a., 1b.

Program 2: The City shall establish a density bonus of 25% or more as an incentive for developers to provide low and moderate income housing. Criteria should be established as to the extent and limitations of this bonus incentive.

Responsible Entity: Community Development Department,

Planning Division

Schedule: 1982-1987

Program Objective: This program will increase the possible

total units allowed by current zoning speci-

fically for the provision of low and

moderate income housing.

Policies Implemented: 2a., 2h., 6a.,6b.,6c.

Program 3: The City shall provide incentives other than density bonus to developers of low and moderate income housing in areas where increased densities would initiate or aggravate localized problems. These incentives can include but are not limited to the following:

- Reduce local building, zoning or development standards such as minimum unit size, minimum distance between buildings, maximum height limitations, etc., when it can be found that such a reduction is necessary to significantly reduce development cost and secure affordable housing for persons of low and moderate incomes and that said reduction will have no significant adverse effect on the living environment created (including physical, social and psychological aspects), the proper functioning of community, or public health and safety.
- Expedite processing of all local permits for qualified projects by giving preferential treatment in scheduling putting them ahead of other projects in the design review process.
- Use available Federal, State, or local funds to reduce land costs or the costs of required offsite improvements for qualified projects.

Responsible Entity: Community Development Department,

Planning and Building Divisions, City Council, Planning Commission

Schedule: 1982-1987

Program Objective: These incentives will encourage private sec-

tor development of low and moderate income

housing.

Policies Implemented: 2c., 2d., 2h.,

6a., 6b., 6c.,

Program 4: Provide additional acreage within the Land Use Element of the General Plan for medium density, high density, and manufactured housing within the City.

Responsible Entity: City Council

Schedule: 1982-1983

Program Objectives: This program will promote competition in

land prices and assure the opportunity for the public and private sectors to provide a variety of housing types to meet the public

needs.

Policies Implemented: 1a., 2d., 6a., 6b., 6c.,

7a., 7b.

Program 5: The City shall actively solicit funds from public sources to be utilized for Lompoc housing programs. These sources will include:

Department of Housing and Urban Development
Federal Housing Administration
Veterans Administration
California Housing Finance Agency
California Veterans
Department of Housing and Community Development (See Housing Programs, Appendix)
Lompoc Redevelopment Agency

Funding will be through grants, mortgage insurance, lower interest mortgage purchasing and direct lower interest lending.

Responsible Entity: Community Development Department,

Santa Barbara County Housing Authority

Schedule: 1982 to 1987

Program Objective: Funding is necessary to subsidize low and

moderate income housing. These sources will aid in provision of Lompoc's Fair Share Allotment.

Policies Implemented: 2d., 2e., 2f., 2g., 2h.,

3c., 3e., 3f., 3g., 5c.

<u>Program 6:</u> The City shall initiate and encourage the County to administer an apartment loans program to make low interest loans to private developers.

Responsible Entity: City Treasurer, Finance Officer

Schedule: 1982 to 1987

Program Objective: High interest rates have made the development of

apartments economically unfeasible. This program will allow rental unit development.

Policies Implemented: 2c., 2d., 6a., 6b., 6c.

<u>Program 7</u>: The City shall establish a rented and owned housing rehabilitation program with the following characteristics.

- ° Current program utilizing Federal Block Grant funds for revolving rehabilitation loans will continue for both rented and owned residential units.
- Target areas will be established based on housing stock age and condition.
- ° Contiguous uses which negatively influence continued residential use will be identified, in target areas; appropriate rectification measures will be undertaken.
- ° Service, infrastructure and facility needs will be identified for target areas; appropriate improvements will be undertaken.
- Target areas should be stabilized through appropriate zoning (Residential areas zoned in some other use should be rezoned residential).

This rehabilitation program should continually seek new funding sources, public and private.

Responsible Entity: Community Development Department,

Planning Division

Schedule: Ongoing to 1990

Program Objective: This program will attempt to bring 90% of Lompoc

housing up to acceptable health, safety and

aesthetic standards by 1990.

Policies Implemented: 1c., 3a., 3b., 3c.,

3d., 3e., 3f., 3q.

<u>Program 8</u>: The City shall develop and execute convenants or deed restrictions which maintain affordability of units over time when projects are assisted in any way by public funds or programs which grant special consideration.

Responsible Entity: Community Development Department

Schedule: Ongoing

Program Objective: Maintenance of affordability of units which uti-

lize public funds in order to provide continuing opportunities for affordable housing in the

City.

Policies Implemented: 2d., 2h.

Program 9: The City shall revise the existing Zoning Ordinance to include provisions for density bonuses and other incentives and to also allow residential use in downtown as an accessory use.

Responsible Entity: City Council

Schedule: 1985

Program Objective: Achieve consistency between the Housing Element

and the Zoning Ordinance.

Policies Implemented: 2g., 2c., 2d., 2h.,

6a., 6b., 6c.

<u>Program 10</u>: The City shall provide to developers information concerning various financing programs available for low and moderate income housing.

Responsible Entity: Community Development Department,

Planning and Building Divisions

Schedule: Ongoing

Policies Implemented: 2c., 2f., 2h.

<u>Program 11</u>: The City shall initiate and actively solicit the participation of local lending institutions and private developers in affordable housing programs.

Responsible Entity: Community Development Department,

Planning Division

Schedule: Ongoing

Program Objective: Increase in construction of affordable housing

in the City and creation of a comprehensive list

of interested banks and developers.

Policies Implemented: 2c.

Program 12: The City should actively solicit assistance from community groups to provide assistance in rehabilitation projects for low income persons and senior citizens.

Responsible Entity: Community Development Department

Schedule: 1982 to 1987

Program Objective: Community groups may be a source of cost effec-

tive housing rehabilitation.

Policies Implemented: 3c., 3e., 3f., 3g.

Program 13: The Planning Commission should bi-annually review the housing situation in Lompoc concerning:

- The maintenance of a current inventory of housing, including mobile and manufactured housing.
- The continued exploration of housing needs within the community by using relevant economic and census data.
- The development of locational and design criteria in response to definable community housing needs.
- The exploration of new approaches to insuring maintenance and rehabilitation of existing residential structures.
- The continued review and coordination of County, regional, State and Federal programs for the satisfaction of housing needs in the City of Lompoc, and preparation of studies and recommendations to the City Council for continued responsiveness to demonstrate housing needs.
- ° The production of innovative legislation which would be enacted by the City, County or State to further housing goals.

Resonsible Entity: Community Development Department,

Planning Commission

Schedule: 1982 to 1987

Program Objective: This review will test the effectiveness of on-

going programs and show where changes are

necessary in the Housing Program.

Policies Implemented: 1a., 1c., 2d., 2c., 2g., 2i.,

3a., 3b., 3c., 3d., 3e., 3f., 3g., 7a., 8a.

Program 14: The City shall actively promote equal housing opportunities through various means which shall include but not be limited to: establishing a hearing procedure to mediate possible discriminatory housing practices; establishing a Fair Housing Council as a readily available source of community help; contributions to legal aid to develop discrimination cases.

Responsible Entity: City Council

Schedule: 1982 to 1987

Program Objective: Eliminate discrimination in housing.

Policies Implemented: 4a.

Program 15: The City shall establish criteria for a pre-sale energy audit that will contribute to energy conservation throughout the City. The criteria will be the established standards for minimal energy conservation (weather stripping, insulation, water conservation devices, etc.). These standards will be met before a sale is allowed.

Responsible Entity: Building Division

Schedule: 1982 to 1987

Program Objective: Establish energy conservation as mandatory

rather than voluntary throughout the City.

Policies Implemented: 5b.

Program 16: The City shall establish design criteria for new subdivisions and dwellings to provide for efficient solar orientation to the degree practical.

Responsible Entity: Community Development Department

Schedule: 1987

Program Objective: Conservation

Policies Implemented: 5b.

Program 17: Areas of Residential Land Use that exist in Commercial Zoning shall be considered through an appropriate General Plan Amendment and Zone Change for a change to residential designation.

Responsible Entity: Community Development Department

and City Council

Schedule: 1982 to 1983

Program Objective: Consider changes in designation from commercial

to residential the following:

100 Blk. South G 100 Blk. North B 100 Blk. South C 100 Blk. South B 100 Blk. South F 100 Blk. South E 100 Blk. North C 100 Blk. North D 100 Blk. North E 100 Blk. North F 100 Blk. North G 400 Blk. North I

Policies Implemented: 3d., 6d.

Program 18: The City shall continue to cooperate with the Santa Barbara County Housing Authority to provide the Section 8 Rental Subsidy Program.

Responsible entity: Santa Barbara County Housing Authority

Schedule: On-going

Program Objective: This program will provide additional housing

that is affordable to low/moderate income

households.

Policies Implemented: 2d, 2e

Program 19: The City shall actively participate with the Santa Barbara County Housing Authority in the Section 8 Moderate Rehabilitation program to promote and generate low and moderate income housing.

Responsible Entity: Community Development Department

Schedule: On-going

Program Objective: This program will increase the availability of

low and moderate housing and promote rehabili-

tation of existing housing stock

Policies Implemented: 2d, 2e

4.1 Program Quantification Summary

The programs included in 4.0 represent an effort by the City of Lompoc to provide housing based upon City goals and State guidelines. The State has mandated that the Fair Share Allocation Allotment Numbers be met by the Housing Element's Housing Program. In order to assess the potential for meeting "Fair Share" an estimate of program potential unit yield was undertaken.

TABLE 4.1 lists current and proposed City of Lompoc Programs relative to housing and estimates the potential of these programs to provide residential units of three income level types:

Very Low = 50% Median Low = 50 - 80% Median Moderate = 80 - 120% Median

Performance as projected in all housing programs will not provide enough new units affordable to very low income households to meet the fair share allocation in that catagory. Without adequate funds for necessary subsidies to add new units to the market in this catagory, the preservation of existing very low income stock becomes even more important. It should also be noted that the success of these housing programs and the opportunity to take advantage of unforseen future opportunities may be hindered by a lack of adequate staffing.

The housing programs are projected to meet and exceed the "Fair Share Allocations" for low and moderate income housing.

TABLE 4.1 PROGRAM QUANTIFICATION

	PROGRAM	VERY LOW	LOW	MODERATE	FUNDING SOURCE
1.	Density Bonus				
	a. T.N. Price b. Projected	-0- -0-	*4	*20 	
	SUBTOTAL	-0-	12	30	
2.	Incentive Program				
	a. Armstrongb. Lucasc. Armstrongd. Everette. Projected	-0- -0- -0- -0-	-0- -0- -0- *6 12	4 3 4 *18 58	
	SUBTOTAL	-0-	18	87	
3.	Affordable Rental Stoc Expansion Program	k			
	a. Blythe Hotel Conve	rsion -O-	16	-0-	Section 8 Mod Rehab CDBG Loan - \$87,000.00
	b. Parkside Cooperati	ve *15	*15	-0-	CDBG Grant - \$60,000.00 CDBG Loan - \$240,000.00 RHCP Grant - \$680,723.0
	c. Rainbow Plaza I	-0-	31	-0-	Section 202 HUD
	d. LOVARC e. Projected	-0- 20	7 156	-0- -100	Loan - 1.66 million CDBG Grant - \$ 38,600
	SUBTOTAL	35	225	-100	
4.	County Housing Authori (Public)	ty			
	a. Stanley Horn Homesb. Lompoc Gardens Ic. Lompoc Gardens II	-0- -0- -0-	44 40 35	-0- -0- -0-	
	SUBTOTAL	-0-	119	-0-	
5.	Convalescent Care Unit	S			
	a. 36 Bed Convalescen Home Addition	t 36	-0-	-0-	
6.	Section 8 Rent Subsidy	-0-	30	-0-	

TABLE 4.1 PROGRAM QUANTIFICATION CONTINUED

	PF	ROGRAM	VER Y LOW	LOW	MODERATE	FUNDING SOURCE
7.		ngle Family Mortgage Revenue Bond				
	a.	Parkside Cooperative	*15	*15		17,130,000 County Wide Issue - \$800,000.00 Reservation + \$797,000.00
						· Proposition
8.		artment Mortgage Revenue Bond (Potential Projects)				Projected 13,000,000 County Wide Bond. Projected 90% to Lompoc Projects.
	a.	T.N. Price	-0-	*4	*20	
	b.	Everett	-0-	*4	18	
	С.		-0-	*6	*18	
	d.	Boswell	-0-	41	164	
	e. f.	Signorelli Brown	-0- -0-	2 18	6 72	
	g.	Invest-West	-0-	5	19	
	-	SUBTOTAL	-0-	80	317	
-		GRAND TOTAL (units)	71	470	499	
		Fair Share Allotment	228	322	472	
		Difference	-157	+148	+27	

^{*}Units in more than one catagory - grand total adjusted to avoid double counting.

TABLE 4.2

AFFORDABLE HOUSING PRESERVATION PROGRAM

Zone Change Program to Protect Existing Housing Stock (Estimates)	VERY LOW	LOW	MODERATE
100 Block South G Street (completed)	18	20	6
100 Block South C Street 100 Block South B Street 100 Block South F Street 100 Block South E Street		18 16 12	
100 Block North B Street 100 Block North C Street 100 Block North D Street 100 Block North E Street	15	2 2 17 24	28
100 Block North F Street 100 Block North G Street 400 Block North I Street	4	7 17 <u>7</u>	30
		PRESERVED	
SUBTOTAL	23	29	174



